United Nations

Advisory Committee on Administrative and Budgetary Questions

First report on the proposed programme budget for the biennium 2006-2007

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Preface

1. The major functions of the Advisory Committee on Administrative and Budgetary Questions, as defined by the General Assembly in its resolution 14 (I) of 13 February 1946, are:

(a) To examine and report on the budget submitted by the Secretary-General to the General Assembly;

(b) To advise the General Assembly concerning any administrative and budgetary matters referred to it;

(c) To examine on behalf of the General Assembly the administrative budgets of the specialized agencies and proposals for financial arrangements with such agencies;

(d) To consider and report to the General Assembly on the auditors' reports on the accounts of the United Nations and of the specialized agencies.

The Advisory Committee also reports on the financing of peacekeeping operations, the International Tribunal for the Former Yugoslavia and the International Criminal Tribunal for Rwanda. In addition, the Committee reports on administrative budgets and other matters to the governing bodies of the United Nations Development Programme, the United Nations Children's Fund, the United Nations Population Fund, the Office of the United Nations High Commissioner for Refugees (voluntary funds), the United Nations Environment Programme (Environment Fund), the United Nations Human Settlements Programme, the United Nations Institute for Disarmament Research, the United Nations Institute for Training and Research, the United Nations University, the World Food Programme, the United Nations Office on Drugs and Crime and the United Nations Relief and Works Agency for Palestine Refugees in the Near East.

2. Under rule 156 of the rules of procedure of the General Assembly, the members of the Advisory Committee, no two of whom shall be nationals of the same State, shall be selected on the basis of broad geographical representation, personal qualifications and experience.

3. The Advisory Committee has the following membership:

Vladimir V. Kuznetsov (Chairman)

Rajat Saha (Vice-Chairman)

Andrzej T. Abraszewski

Manlan Narcisse Ahounou

Ronald Elkhuizen

Jorge Flores Callejas

Homero L. Hernandez

Collen V. Kelapile

Jerry Kramer

Susan M. McLurg

E. Besley Maycock

Thomas Mazet

Murari Raj Sharma

Sun Minqin

Jun Yamazaki

Mohamed M. Zahran

4. The present report contains the conclusions and recommendations arrived at by the Advisory Committee on the basis of the Secretary-General's proposals for the programme budget for the biennium 2006-2007, supplemented, to the extent possible, by additional information supplied orally or in writing by representatives of the Secretary-General. As in the past, provision is made in certain sections of the proposed programme budget for the biennium 2006-2007 for expenditures to which some Member States have objections in principle. At the same time, the Committee considered that the controversy concerning such items did not fall within the province of the Committee, which, under rule 157 of the rules of procedure, is responsible for expert examination of the programme budget of the United Nations.

Vladimir V. **Kuznetsov**
Chairman

Chapter I

General comments, observations and recommendations

1. For the biennium 2006-2007, the Secretary-General proposes a programme budget in the amount of $3,803,788,900 for the expenditure sections and $464,458,400 for the income sections (at 2006-2007 rates).[1] On a net basis, the estimates total $3,339,330,500. The General Assembly, in its resolution 59/278 on the budget outline, invited the Secretary-General to prepare his proposed programme budget for the biennium 2006-2007 on the basis of a preliminary estimate of $3,621,900,000 at revised 2004-2005 rates.

2. In table 1, the estimates for 2006-2007 (at 2006-2007 rates) are compared with the revised estimates for 2004-2005, as approved by the General Assembly in its resolution 59/277, and with final expenditure and income for the biennium 2002-2003. The increase in the expenditure estimates for 2006-2007 as compared with the revised estimates for 2004-2005 is 5.4 per cent.

Table 1

Comparison of income and expenditure for the bienniums 2002-2003, 2004-2005 and 2006-2007

(Thousands of United States dollars)

				Total increase/(decrease) in 2006-2007 versus 2004-2005	
Component	*(1)* *Actual 2002-2003*	*(2)* *Revised 2004-2005*	*(3)* *Estimate 2006-2007*	*(4)* *Amount (3)-(2)*	*(5)* *Percentage (4)÷(2)*
Expenditure	2 964 580.0	3 608 173.9	3 803 788.9	195 615.0	5.4
Income	425 507.0	443 851.9	464 458.4	20 606.5	4.6
Net	**2 539 073.0**	**3 164 322.0**	**3 339 330.5**	**216 221.5**	**6.8**

3. The extrabudgetary resources that are likely to be available to the Organization in the coming biennium are estimated at $5,631,120,100. They comprise $883,675,400 for support activities, $1,676,666,100 for substantive activities and $3,070,778,600 for operational activities (see A/60/6, Introduction, table 1). The grand total, including the net estimate for the regular budget, would therefore be $8,970,450,600.

4. The estimates do not include the cost of peacekeeping operations or the International Tribunals for the Former Yugoslavia and Rwanda. The Advisory Committee was informed that for the periods from 1 July 2004 to 30 June 2005 and 1 July 2005 to 30 June 2006, the estimates for peacekeeping operations, excluding the costs of special missions covered under the regular budget, would total nearly $8 billion.

5. The revised appropriations for 2004-2005 for the International Criminal Tribunal for Rwanda and the International Tribunal for the Former Yugoslavia (see General Assembly resolutions 59/273 and 59/274) total $585,227,400 gross ($529,943,500 net).

A. Format and presentation of the proposed programme budget

6. The format of the proposed programme budget for the biennium 2006-2007 remains basically unchanged from that of 2004-2005. In accordance with the terms of General Assembly resolution 58/269, the programme narratives of the budget fascicles are identical to those in the biennial programme plan.[2] As indicated in paragraph 43 of the Introduction to the proposed programme budget (A/60/6 (Introduction)), there are no new or revised mandates that would result in differences between the biennial programme plan as adopted by the General Assembly and the programmatic aspects of the proposed programme budget for 2006-2007, with the exception of section 33, relating to the newly established Department of Safety and Security, for which there is currently no separate programme in the biennial programme plan. While in the past, security matters were reflected under programme 24, Management and support services, and programme 26, Jointly financed activities, the related programme narratives for safety and security in the proposed programme budget for the biennium 2006-2007 are presented under a new programme, Safety and security (see A/60/16, paras. 62-27). Under the terms of General Assembly resolution 58/269, the new programme on safety and security was submitted to the Committee for Programme and Coordination for its consideration during its session held at Headquarters from 6 June to 1 July 2005.[3]

Presentation of the logical framework

7. **The Advisory Committee notes the progress that has been made in the presentation of the logical framework. However, despite those efforts, the Committee notes that many of the comments and observations on outputs, expected accomplishments, indicators of achievement and objectives made in its report on the proposed programme budget for 2004-2005 are still valid. It is still difficult to ascertain the extent to which the outputs contribute to the attainment of the objectives and expected accomplishments for each of the subprogrammes. Moreover, an attempt should be made to specify the resource implications of the outputs (see paras. 15 and 23 below). The Committee points out that, in many cases, it is still not possible to determine what the consequential impact on expected accomplishments would be if some outputs were not implemented. Such a linkage is one of the basic requirements of the logical framework. There is also a need, in the view of the Committee, to identify outputs mandated by legislative bodies (non-discretionary outputs) and those initiated by the Secretariat (discretionary outputs) (see also para. 16 below).**

8. The Advisory Committee reiterates its view about the importance of fine-tuning the definition of terms and guidelines as the Organization acquires more experience in applying results-based budgeting (see A/55/543, para. 12). **An effort should be made to simplify the logical framework while taking care to reflect the specificities of particular activities. The Committee is of the view that the definition of an "output" requires further refinement since the term comprises practically all activities of the Organization, whether they are substantive or support functions; continuing services or one-time action; easily measurable or difficult to quantify. There should also be uniform application Organization-**

wide of the term "output", thus ensuring compatibility among the departments and offices of the Organization.

9. **The Advisory Committee believes that a distinction should be made between outputs of substantive areas and support services. The way results-based budgeting is applied to support and administrative functions is not very helpful. Rather than focusing on vague and subjective indicators of performance such as the percentage of respondents expressing satisfaction in client surveys or the percentage of offices reporting, effectiveness should be illustrated by workload benchmarks for comparison with industry standards. Information on efficiency gains in support services should also indicate one-time projects and the time frame for their implementation.**

10. In its report on the administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (A/59/736), the Advisory Committee made a number of comments and observations that apply equally to the proposed programme budget of the United Nations. In particular, the Committee called for improving the measurability of indicators of achievement and outputs as well as the setting of time frames for implementation to facilitate monitoring and reporting. **Moreover, the Committee emphasized the importance of developing links between the financial systems and the programme monitoring systems, which is an essential element of results-based budgeting.**

11. **The Advisory Committee is of the opinion that indicators of achievement and performance measures need to be presented in a quantifiable and more transparent and consistent manner.** For example, the performance measure "amount of efficiency gains resulting from business process improvements" for the expected accomplishment "improved business processes" is not specific enough, nor does it permit an understanding of what improvements should be implemented in business processes so that efficiency gains can be achieved; moreover, while the performance measure "percentage of offices in the Secretariat reporting efficiency gains" is quantitative, it leaves a lot of room for interpretation since it does not provide for the measurement of efficiency gains, but simply indicates the number of offices reporting efficiency gains. Furthermore, the percentage of expenditure compared to funds available is given as an indicator of achievement for "efficient and effective use of resources" or in a few cases for "full and efficient utilization of resources", with a target of 100 per cent for 2006-2007. **In this connection, the Committee points out that the "full" utilization of resources alone is not necessarily indicative of their efficient and effective use; what is important is not whether the money was spent, but how it was spent in attaining targets within mandated programmes. A more appropriate indicator in this case could be a reduction of delays in processing funding for approved purposes or a reduction in the number of negative or critical audit observations on the administration of funds. Furthermore, it is important that indicators of achievement be realistic and, indeed, achievable.**

12. The application of regulation 5.6 of the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation (ST/SGB/2000/8) is discussed in paragraph 16 of the Introduction to the budget. The Secretary-General reports that a total of 3,019 outputs will be discontinued in 2006-2007, reflecting the outcome of a review of the outputs delivered in 2004-2005. The Advisory Committee was

informed that 2,006 of those outputs related to the category of completed or non-recurrent outputs. The Committee recalls that a total of 912 outputs were proposed to be discontinued for the biennium 2004-2005. In that connection, the Committee notes the Secretary-General's statement in paragraph 3 of the Introduction that "in the forthcoming biennium growth in priority areas would in very large part be funded through the reallocation of resources".

13. The Advisory Committee also notes that the budget document identifies weaknesses and inconsistencies encountered by the Secretariat in the application of regulation 5.6, including the categorization of outputs, the treatment of changes in output quantities from one biennium to the next and the identification and treatment of non-recurrent outputs. Annex III to the Introduction of the budget provides information on the identification of activities and outputs that have been completed or are obsolete, of marginal usefulness or ineffective.

14. **The Advisory Committee welcomes the progress achieved and the efforts to identify outputs that would be discontinued in 2006-2007.** At the same time, the Committee notes the limited and inconsistent compliance with regulation 5.6, in particular the absence, in a number of sections of the budget, of any recommendations for the deletion of outputs or reference to an analysis explaining why no such outputs were identified.

15. **The information on the discontinued outputs as initiated by the Secretariat or as mandated by the legislative bodies could also have been more useful if the budget document had identified those new outputs and activities that are being proposed in lieu of activities and outputs proposed for termination. Similarly, the Advisory Committee is of the view that where discontinued outputs are not to be specifically replaced by proposed new outputs, attempts should be made to identify the quantum of resources to be made available for redeployment as a result of the proposed termination of activities and outputs (see para. 23 below).**

16. **Moreover, the Advisory Committee recognizes the distinction that should be made between the outputs that were originally initiated by the Secretariat (discretionary outputs) and those that were originally mandated by legislative bodies (non-discretionary outputs).** As indicated in paragraph 28 of annex III to the Introduction, the termination, curtailment or modification of non-discretionary activities or outputs, in the vast majority of cases, requires prior approval by the intergovernmental body that made the request. The Committee was informed, upon enquiry, that in the context of budget preparation, the legislative bodies listed in table 2 had received and reviewed advance copies of the programmes of work within the area of their substantive responsibilities.

Table 2

Budget sections for which the programme of work for 2006-2007 was reviewed by programme review bodies

Section/programme/subprogramme	*Review body*	*Time of review*
6. Peaceful uses of outer space	Committee on the Peaceful Uses of Outer Space	June 2005
9. Economic and social affairs		
Social policy and development	Commission for Social Development	February 2005
Sustainable development	Commission on Sustainable Development	April 2005
Statistics	Statistical Commission	March 2005
Population	Commission on Population and Development	April 2005
Public administration, finance and development	Committee of Experts on Public Administration	April 2005
12. Trade and development	Working Party on the Medium-term Plan and the Programme Budget	January-February and May 2005
14. Environment	Governing Council of the United Nations Environment Programme	February 2005
15. Human settlements	Commission on Human Settlements	April 2005
16. International drug control, crime prevention and criminal justice	Commission on Crime Prevention and Criminal Justice	May 2005
	Commission on Narcotic Drugs	March 2005
17. Economic and social development in Africa	Conference of African Ministers of Finance, Planning and Economic Development	May 2005
18. Economic and social development in Asia and the Pacific	Economic and Social Commission for Asia and the Pacific	May 2005
19. Economic development in Europe	Group of Experts on the Programme of Work	November 2004
20. Economic and social development in Latin America and the Caribbean	Economic Commission for Latin America and the Caribbean	June-July 2004
21. Economic and social development in Western Asia	Economic and Social Commission for Western Asia	May 2005

17. **The Advisory Committee has consistently called for greater participation of the programme-formulating bodies in the programme-planning process. The**

Committee reiterates its position that the General Assembly needs to be able to rely on the contribution of the specialized bodies to review and refine or reformulate the programme of work; the work of the specialized bodies is critical for the implementation of results-based budgeting and it is those specialized bodies that are most qualified to determine whether the activities they had initially authorized for inclusion in the proposed programme budget are producing the intended results (see para. 44 of the Committee's first report on the proposed programme budget for the biennium 2004-2005[4]).

18. **The Advisory Committee is of the opinion that intergovernmental bodies of the United Nations need to pay increased attention to all stages of programme planning and implementation and to participate closely in the identification of activities and outputs that are obsolete, of marginal usefulness or ineffective. Moreover, the extent of participation of the intergovernmental bodies in formulating programmes related to activities funded from the regular budget of the United Nations should be clearly identified in the programme budget.**

19. **The Advisory Committee finds the presentation of external factors in many cases to be vague or of doubtful relevance.** For example, objectives stated in many budget fascicles are expected to be achieved subject to full cooperation on the part of "stakeholders", by which the Secretariat very often means its departments, offices and divisions. In this regard, the Committee reiterates its previous observation that cooperation among units of the Secretariat should be a given; any indication to the contrary would point to management problems. **The Committee also recommends that in future budget submissions the term "stakeholders" be spelled out and not be considered as an external factor if it refers to the organizational entities of the United Nations.**

20. The Advisory Committee notes that significant changes have been introduced in programme planning by the General Assembly and other intergovernmental bodies; these need to be reflected in the regulations and rules to give clear guidance on results-based budgeting as it stands today. For example, the term "performance measure" is not defined in the programme planning regulations. **The Committee therefore recommends that consideration be given to updating the Regulations and Rules Governing Programme Planning (last issued in 2000) with a view to reflecting all the changes in the process of programme planning, monitoring and evaluation that have been enacted by the General Assembly.**

21. **In this connection, the Advisory Committee stresses that it is of fundamental importance that the basic terms employed in results-based budgeting and the roles and responsibilities of all involved in the process be fully and precisely defined. There is also a need to pursue a coordinated United Nations system approach to definitions of basic terms related to results-based budgeting techniques. The Committee was informed that work had commenced in this regard within the relevant structures of the United Nations System Chief Executives Board for Coordination.**

22. **The Advisory Committee is of the view that the successful implementation of results-based budgeting requires increased attention to expected accomplishments before, during and after budget implementation. The Committee recalls that the shift from input budgeting to programme budgeting was initiated in 1974 in order to provide Member States with a full description**

of the activities of each organizational unit of the Secretariat and of the resources required for the delivery of outputs. This has not, however, led to a reduced focus by the General Assembly on input control at a detailed level. While such detailed attention to input may enforce a measure of control with respect to resources, it does not enable Member States to determine whether or not the programme outputs are effective in meeting the objectives of the programme.

23. The issue of how to quantify the resources devoted to outputs has, in one form or another, been around for many years. For its part, since the 1970s the Advisory Committee has consistently indicated that any system to be developed must be cost-effective and easy to maintain. Most recently, the Committee for Programme and Coordination, in paragraph 349 of its report on its forty-fourth session,[5] recommended that the Secretary-General develop improved tools for identifying the cost of activities and outputs and report to the General Assembly at its sixtieth session on options for applying cost-accounting techniques drawing on best international practices (see also General Assembly resolution 59/275 and decision 59/549). A statement of the programme budget implications of those recommendations was submitted by the Secretary-General (A/C.5/59/13, para. 5). **The development of cost-effective and easy-to-maintain cost-accounting systems could facilitate analysis of the cost of activities, including the related resources that could be released as a consequence of the discontinuation of outputs.**

24. **The Advisory Committee emphasizes that intensified commitment is required to avert the risk of results-based budgeting becoming a paper exercise. Indicators of achievement and performance measures often appear to be written to meet the requirements of the budget process rather than to reflect the management plan of the entities involved. The Committee points out that results-based budgeting is not an end in itself. Up to now, the main emphasis has been on creating and refining that mechanism. In the opinion of the Committee, the time has come to begin using results-based budgeting to improve both management and accountability in the Secretariat as well as to allow the General Assembly to shift its attention to policy-setting and to focus on the results to be expected from the investment of the required resources. The Committee cautions that without an effective system for programme planning, monitoring of programme budget implementation and evaluation and performance reporting (see para. 29 below), these intended shifts will be compromised.**

Monitoring and evaluation and management reviews

25. Pursuant to paragraph 20 of General Assembly resolution 58/269, the proposed programme budget identifies within each section resources related to monitoring and evaluation. The Secretary-General acknowledges that except for departments and offices in which there are identifiable monitoring and evaluation functions for which specific resources are allocated, the identification of resources for those functions has proven to be a difficult exercise (see A/60/6 (Introduction), para. 49). Table 3, provided by the Secretariat, indicates, in a consolidated format, resources related to monitoring and evaluation.

Table 3
Estimated resource requirements for monitoring and evaluation

	Budget section	*Estimated regular budget resources*	*Estimated extrabudgetary resources*	*Total*
2.	General Assembly and Economic and Social Council affairs and conference management	130 000	—	130 000
3.	Political affairs	146 200	—	146 200
4.	Disarmament	223 200	—	223 200
5.	Peacekeeping operations	—	494 000	494 000
6.	Peaceful uses of outer space	49 100	—	49 100
8.	Legal affairs	581 000	58 000	639 000
9.	Economic and social affairs	1 050 000	450 000	1 500 000
10.	Least developed countries, landlocked developing countries and small island developing States	47 900	—	47 900
11.	United Nations support for the New Partnership for Africa's Development	150 100	—	150 100
12.	Trade and development	963 300	82 000	1 045 300
14.	Environment	352 100	1 001 400	1 353 500
15.	Human settlements	352 100	1 105 900	1 458 000
16.	International drug control, crime prevention and criminal justice	—	1 570 400	1 570 400
17.	Economic and social development in Africa	504 700	299 136	803 836
18.	Economic and social development in Asia and the Pacific	450 200	375 500	825 700
19.	Economic development in Europe	1 019 300	6 500	1 025 800
20.	Economic and social development in Latin America and the Caribbean	1 444 600	231 700	1 676 300
21.	Economic and social development in Western Asia	476 817	—	476 817
23.	Human rights	1 462 000	—	1 462 000
24.	Protection of and assistance to refugees	—	1 791 400	1 791 400
25.	Palestine refugees	164 800	527 000	691 800
26.	Humanitarian assistance	353 300	502 900	856 200
27.	Public information	2 002 000	—	2 002 000
28A.	Office of the Under-Secretary-General for Management	81 100	—	81 100
28B.	Office of Programme Planning, Budget and Accounts	67 600	—	67 600
28C.	Office of Human Resources Management	674 100	—	674 100
28E.	Administration, Geneva	154 000	20 800	174 800
28F.	Administration, Vienna	64 700	231 200	295 900
28G.	Administration, Nairobi	36 000	5 000	41 000
29.	Internal oversight	286 000	129 000	415 000

26. The Advisory Committee points out that not all budget sections contain information on resources related to monitoring and evaluation. Moreover, according to the clarification provided to the Committee upon enquiry, resources for monitoring and evaluation that have been included in the budget sections represent, in most cases, very approximate and predominantly notional requirements. **In the opinion of the Committee, the intent of the General Assembly in making its request was to elicit clear information on the evaluation and monitoring functions. The information provided does not appear to meet the expectations of the Assembly, since there is little or no description of how the evaluation and monitoring functions are being carried out. The Committee trusts that the presentation will be improved and that in future the budget submissions will include information on the effectiveness of the Organization's investment in monitoring and evaluation.**

27. The Advisory Committee was informed that the resources shown in table 3 reflected by and large requirements for self-monitoring and self-evaluation. **While encouraging self-monitoring and self-evaluation as valuable tools in the implementation of results-based budgeting and lessons learned, the Committee emphasizes the continued importance of independent monitoring and evaluation functions, such as those carried out by the Office of Internal Oversight Services, as a source of objective analysis of the achievements and shortcomings of United Nations programmes and activities. It is important that the roles and responsibilities of the various organizational units vis-à-vis monitoring and evaluation, as well as self-monitoring and self-evaluation, be clearly assigned and delineated. It should also be emphasized that a large part of the regular budget is devoted to administrative and support functions. For those, the absence of quantified means of assessing efficiency and productivity is a serious shortcoming that must urgently be overcome. The Committee intends to discuss these issues with the Office of Internal Oversight Services when it takes up its revised programme budget proposal.**

28. Management reviews are an important tool to ensure that work programmes are administered and implemented with efficiency. Upon enquiry, the Advisory Committee was informed that, while programmatic reviews were made in the process of preparing the budget, comprehensive management reviews had not been undertaken by most entities for the past several years. **The Committee welcomes programmatic reviews, especially if their results are timely and can be taken into account during the preparation of a proposed programme budget. It also believes that comprehensive management reviews should be conducted on a periodic basis, particularly when there is a shift in the organizational environment, a change in the mandate or a variation in the level of resources available.**

Performance and reporting

29. The Advisory Committee recalls its observation made in its first report on the proposed programme budget for the biennium 2004-2005[4] that no effective mechanism exists to monitor, evaluate and measure the results and impact of the programmes and activities of the United Nations, nor does there exist the necessary financial link to programmes and activities. The Committee also pointed out that the investment in technology and staff training already made and to be made in the short and long term should be exploited more fully in order to remedy those deficiencies.

Only by making progress in this area would programme managers be able to fulfil the goal embodied in the results-based-budget framework and would Member States be able to receive timely and accurate data and information when decisions are being taken (see A/58/7, paras. 14 and 15). **The Committee points out that tangible results have still not been achieved.**

30. The Advisory Committee requested information on the further development of the Integrated Monitoring and Document Information System (IMDIS) and the extent to which programme managers could obtain information from existing systems in order to monitor implementation and performance and ensure the systematic entry of data. The Secretariat has acknowledged that a new version of IMDIS should be developed in consultation with programme managers to increase their use of it as a management and monitoring tool.

31. The Advisory Committee recalls that it had previously commented extensively on the need for the further development of IMDIS (see A/58/7, paras. 10-13). The Committee also recalls that enhancement of IMDIS was planned for the biennium 2004-2005 whereby user departments and offices would be able to access financial data generated by the Integrated Management Information System (IMIS) in IMDIS; it appears that the enhancement has not been accomplished. Moreover, the Committee has been informed that the Department of Economic and Social Affairs, which has provided the bulk of support to the development and operation of IMDIS, has indicated that it will likely reduce its support in favour of other priorities. **The Committee is concerned that this will result in the elimination of an existing user-friendly performance monitoring system. Instead of relying on the resources of one department — the Department of Economic and Social Affairs — with sporadic contributions from the Office of Programme Planning, Budget and Accounts and the Office of Internal Oversight Services, the Committee urges that increased attention be paid to the development of IMDIS and requests that the Secretariat report on progress in this area in the context of the proposed programme budget for the biennium 2008-2009. Furthermore, the Committee recognizes that the qualitative emphasis of programme evaluation should complement the quantitative focus of IMDIS; due care should be taken by programme managers to ensure that specific qualitative data are introduced to the system.**

32. On a related matter, the Advisory Committee recalls that it was the Secretary-General's intention to eventually integrate the report on programme performance into the report on accomplishments, which, together with information on expenditures, would provide a comprehensive overview and analysis of the outputs delivered, the accomplishments achieved and the resources utilized. The Secretary-General has also indicated that the report on accomplishments would be used to increase the accountability of programme managers in the implementation of the programmes (A/54/456, paras. 39 and 40). The Committee points out that the declared intention has not materialized, although the issue is being reviewed in the context of the preparation of the programme performance report for 2004-2005 (see A/60/6 (Sect. 29), table 29.16).

33. **In the opinion of the Advisory Committee, more should be done to provide it with the most up-to-date financial information and other relevant statistics. Given the investments of the Organization in technology and in training of staff, performance data should cover, as a rule, the period ended 31 March of**

the second year of a biennium. The Committee is also of the view that the lead time in the budget preparation cycle, which is approximately 15 months before the start of the next biennium, is far too long. The Committee recommends that a thorough analysis be undertaken of the current budget practices with a view to minimizing the lead time.

34. The Advisory Committee notes that a number of budget fascicles contain information on the implementation of recommendations of the Committee and oversight bodies that pertain to specific budget sections. **The Committee believes that it would also be beneficial for the Secretariat to address the cross-cutting issues contained in chapter I of the Committee's reports on the proposed programme budgets. The Committee requests that, in future, action taken on such recommendations as may have been approved by the General Assembly be reported in a separate annex.**

B. Methodology

35. As indicated in paragraph 27 of the Introduction to the budget, the methodology used to prepare the financial requirements remains unchanged from that used for the current biennium, as endorsed by the General Assembly in its resolution 47/212 A of 23 December 1992. The proposed budget includes a provision of $59.6 million related to the delayed impact of costing new posts approved in 2004-2005 and a provision of $4.5 million for the delayed impact of non-post-related security provisions that had previously been budgeted for only the second year of the biennium 2004-2005; the proposed budget also reflects a deduction of one-time costs of $87.9 million approved for 2004-2005. In addition, resources in the amount of $356 million are included for special political missions, reflecting the resource level approved for the maintenance of such missions as from December 2004. Additional requirements for special political missions, should they become necessary, will continue to be subject to the provisions of General Assembly resolution 41/213 of 19 December 1986.

36. **The Advisory Committee points out that a number of developments since 1994, including the growth of special political missions and requirements for special conferences and for security, call for refinements in the methodology now being used. Moreover, the introduction of results-based budgeting presupposes a shift of focus on the part of Member States from input analysis to review of results and expected accomplishments (see para. 24 above). As such, the presentation of budget and financial data to the General Assembly must be clear and transparent in order to avoid an inordinate amount of time being spent on trying to fully understand the data. While the Committee does not recommend a return to the complex methodology of the past, it is of the opinion that thought should be given as to how best to update the current methodology.**

37. In this connection, the Advisory Committee notes the statement in paragraph 13 of the Introduction that "total positive real growth at the section level amounts to $50.1 million for 20 sections, which is balanced by reductions of $49.8 million in 13 sections, resulting in a net additional appropriation request of $276,600"; this is equivalent to an increase of less than 0.1 per cent in real terms (ibid., para. 6). The term "real growth" is also used in a number of other places in the Introduction (see, e.g., para. 3). **The Committee observes in this connection that the concept of real**

growth, as used in programme budgeting until 1994, is no longer applied and the use of that term should be avoided unless accompanied by the related analysis, which not only provides for the deduction of one-time costs of the previous biennium, but also adds the delayed impact of new proposals adopted during the biennium in progress.

38. **The treatment of what is called the "maintenance base" is another matter that requires further refinement and clarification. As currently used, the maintenance base is simply equated to the level of the revised appropriation approved by the General Assembly at the end of the first year of the biennium in progress. However, such a simplified treatment may not reflect the effect of a number of variables, such as non-recurrent items, and the delayed impact of new additions to the budget for the biennium in progress. Moreover, the Advisory Committee has noted an attempt to consider the maintenance level as the totality of resources that have already been accepted and therefore as a base; the Committee points out that the Assembly has never adopted a purely incremental approach and that all resources must be justified.**

39. Another area where refinement is necessary is the treatment of special political missions. On the recommendation of the Advisory Committee in paragraph 23 of its first report on the proposed programme budget for the biennium 2002-2003,[6] starting in the biennium 2004-2005, the undistributed provision for special political missions has been treated as recurrent. The Committee notes, however, that in the various tables that contain information on requirements by object of expenditure, amounts relating to special political missions are included under "other expenses", thus distorting the analysis of individual objects of expenditure and giving the appearance that the requirements under those objects of expenditure that relate to special political missions are, in fact, non-recurrent. The Committee notes, for example, that travel of staff shows a decrease of 33.4 per cent in comparison with 2004-2005, which the Committee was informed was due largely to the non-recurrent nature of the travel requirements for special political missions. After the deduction of all non-recurrent requirements, the actual overall decrease for travel amounted to only $768,600, or 1.8 per cent (see para. 89 below).

40. Upon request, the Advisory Committee was provided with a notional projection of requirements for special political missions for the biennium 2006-2007 by object of expenditure (see table 4). **Given the magnitude of the provision for special political missions, the Committee believes that a methodology is now needed to more accurately reflect the recurrent nature of the individual objects of expenditure within the provision so that proper analysis can be undertaken. The Committee trusts that the proposed programme budget for 2008-2009 will take this into account.**

Table 4
Projected requirements for special political missions

Object of expenditure	*Thousands of United States dollars*
Other staff costs	169 689.7
Non-staff compensation	3.2
Consultants and experts	17 536.4
Travel of representatives	194.4
Travel of staff	13 771.8
Contractual services	9 297.9
General operating expenses	65 711.8
Hospitality	119.8
Supplies and materials	10 749.4
Furniture and equipment	55 268.0
Improvement of premises	11 482.9
Grants and contributions	2 124.0
Total	**355 949.3**

41. **The Advisory Committee observes that while supplementary information is provided to it containing limited data on the costing standards and unit rates used during the preparation of the budget for replacement of personal computers (at all duty stations) and printers (at Headquarters only), no information is provided on costing standards and unit rates for supplies and materials, furniture and maintenance of office automation equipment. The Committee believes that such information should be provided to it together with a full justification of the standard costs and unit rates that are already being used in the cost estimates.**

C. Cooperation and coordination

42. The Advisory Committee points out that the various departments of the United Nations Secretariat, the regional commissions, the United Nations Conference on Trade and Development (UNCTAD) and the funds and programmes have built independent in-house capacity in such areas as statistics, analysis and information technology systems. This has resulted in overlap and duplication of effort and processes. **The Committee believes that greater effort should be exerted to foster deeper cooperation and coordination across the United Nations system with a view to bringing about synergy, enhancing complementarity and removing avoidable redundancies. The fact that some of these entities have their own intergovernmental bodies for policymaking and guidance does not preclude the harmonization of efforts in areas of common interest. The Committee therefore recommends that, in future, information be provided on the extent, forms and results of cooperation among the various structures of the United Nations system on activities implemented by more than one organizational unit. Particular attention should be paid to reflecting**

cooperation among such entities as the Department of Political Affairs, the Department of Peacekeeping Operations and the Department of Safety and Security or UNCTAD, the Department of Economic and Social Affairs and the regional commissions to avoid overlap or duplication of effort. The Committee has commented in detail on this, where relevant, in chapter II below. Furthermore, the Committee is of the view that future budget submissions should clearly indicate the role and contributions of other programmes, funds and agencies in the implementation of specific outputs.

D. Personnel matters

43. The staffing resources available for carrying out the work programme of the Organization include established posts, temporary posts, temporary assistance, contractual services, consultants and ad hoc expert groups and overtime; these resources are financed from the regular budget and from extrabudgetary funds.

44. For the biennium 2006-2007, the cost of posts is estimated at $1,970,219,700 (at 2006-2007 rates) and other staff costs at $197,816,900, for a total of $2,168,036,600 (excluding staff assessment) under the expenditure sections. If the estimate under income section 3, Services to the public, of $28,954,100 for posts and other staff costs is added, the total amounts to $2,196,990,700.

45. The cost of extrabudgetary posts (including related other staff costs) is estimated at $2,168,149,600, including staff financed from the support account for peacekeeping operations. It can thus be said that personnel costs to be financed from the regular budget and extrabudgetary resources would amount to an estimated $4,365,140,300 in 2006-2007.

46. Statement V of the financial statements of the United Nations for the biennium ended 31 December 2003[7] indicates that out of total expenditure of $2,964.6 million, some $2,300.2 million, or approximately 77.6 per cent, related to salaries and common staff costs.

47. **The Advisory Committee points out that, as can be seen from the figures cited in the preceding paragraphs, staff costs represent by far the largest share of the proposed programme budget. For this reason, as well as the fact that the proposed budget represents limited growth in comparison with the previous biennium, the efficient and effective management of human resources takes on even greater importance. Moreover, during the course of the Committee's budget review, a number of important human resources-related issues arose. Accordingly, the Committee has devoted considerable attention to the matter in the present report.**

48. **The Advisory Committee has always striven to make specific recommendations in clear language. Accordingly, it has attempted to address a number of human resources issues by providing very specific, unambiguous recommendations. While understanding that political realities may require them to be altered during the deliberations of the General Assembly, the Committee trusts that the essence of its recommendations will provide an impetus for positive change.**

49. **In recent years, the Advisory Committee has noted, with increasing concern, a blurring of the lines between the policy-setting role of the General**

Assembly and the administrative responsibilities of the Secretary-General. Indeed, the Committee recalls that in paragraph 8 of its first report on the proposed programme budget for the biennium 1998-1999[8] it expressed its view that there was a danger that the balance between the role of the Secretariat and the various organs of the United Nations, as embodied in the Charter, would not function as intended. At that time the Committee recalled the Secretary-General's proposal that the General Assembly review the current distribution of functions and responsibilities with a view to restoring the balance that was envisioned when the Organization was established (see A/51/950, para. 48).

50. **The effective functioning of the Organization requires that the respective responsibilities be understood and respected. It is the prerogative of Member States to make policy, confer mandates, specify results desired and allocate resources. The Advisory Committee emphasizes that the Secretariat's proper role is to execute the policies adopted by Member States; it should not attempt to legislate its own policy directives (see, for example, A/59/736, para. 32). Its impartiality and competence are of fundamental importance, consistent with Article 101 of the Charter of the United Nations (see General Assembly resolution 59/266, sect. II, para. 1). For his part, the Secretary-General — if he is to be held accountable — has the responsibility to use the means he considers best suited for implementing those mandates conferred upon him. In the opinion of the Committee, the Secretary-General should exercise his authority under the Charter as chief administrative officer of the United Nations; such a step would lessen the tendency for the General Assembly to "micromanage" and would also better enable the Assembly to focus on policy issues.**

51. The Advisory Committee comments in detail on the role of the Department of Management in chapter II, section 28A below. **As for the particular role of the Office of Human Resources Management, the Committee reiterates that it should be kept in mind that the Office provides support to managers in carrying out the substantive work of the Organization; its goal should be the placement, based on merit, of qualified personnel where needed as expeditiously as possible, guided always by the policies adopted by the Organization, including geographical distribution and gender balance, as well as the encouragement of staff and career development so that the Organization can achieve the maximum benefit from its human resources (see A/59/446, para. 4). The Committee makes reference below to the difficulties described during its hearings, especially in the areas of recruitment and placement of staff. The Committee notes a tendency by the Office to initiate complex, often piecemeal, solutions to old problems, with the net effect that personnel management in the Organization has become so convoluted that very few managers actually understand how the system works. The time dedicated by managers to unravelling the intricacies of the system and the frustration they experience at the inability to control this key aspect of their function are indications of serious deficiencies in personnel management. The time thus wasted, if it could be quantified, could well represent a substantial loss of managerial resources, which, in turn, could have a significant budgetary and financial impact. The Committee intends to take up human resources management comprehensively at the sixty-first session of the General Assembly, including the issues raised below, on the basis of its consideration of the relevant reports of the Secretary-General.**

Management of the Secretariat as a whole

52. In its first report on the proposed programme budget for the biennium 2004-2005,[4] the Advisory Committee stressed the need to manage the Secretariat as a whole. In response, the General Assembly, in paragraph 14 of its resolution 58/270, decided, on an experimental basis, to make up to 50 posts Organization-wide available for redeployment. In the first performance report on the programme budget for the biennium 2004-2005, it was reported that it had not been possible to identify any surplus staffing resources within a particular programme that were available for redeployment to another programme (A/59/578, para. 53). Subsequently, in a note by the Secretary-General (A/59/753), it was reported that 5 posts had been identified for redeployment on a permanent basis and that 12 would be redeployed between sections under temporary administrative arrangements to meet immediate needs by utilizing vacant posts pending completion of the recruitment and placement processes. **While the Advisory Committee welcomes these developments, it expresses its disappointment that the directives set out in resolution 58/270 have not been more fully implemented. The Committee sees the 50-post redeployment flexibility as a sort of pilot project meant to further the establishment of ways and means to manage the Secretariat as a whole.**

53. **The Advisory Committee continues to discern a lack of central direction in the management of the staffing table. Resource planning in the Secretariat should be undertaken on an Organization-wide basis to make judgements on new needs and challenges that must be responded to and on opportunities for redeployment. The responsibility for this should be clearly defined. The Administration has not fully exercised its authority to manage the utilization and deployment of the staffing resources Organization-wide. The Committee is of the view that the staffing table of the Secretariat will need to be administered with considerably greater flexibility and creativity if the Organization is to respond to new challenges. The Committee reiterates its contention that departments do not "own" particular posts at particular grade levels and, in this regard, again stresses the need to view the allocation of posts as dynamic, rather than static (see A/59/601, para. 22).**

54. **The Secretary-General is entrusted, under Article 97 of the Charter, with the role of Chief Administrative Officer of the Organization. Although General Assembly resolution 51/226 may be interpreted by some as limiting the authority of the Secretary-General, the Committee finds nothing in that resolution which is inconsistent with the Charter. The Secretary-General must be willing to exercise his authority to administer the staff of the Organization, and the departments subordinate to him must accede to that authority. The Committee therefore urges the Assembly to strengthen the Secretary-General's role as Chief Administrative Officer by granting him the flexibility necessary to effectively manage the staff and other resources of the Organization and by encouraging him to fully utilize his authority, it being understood that all personnel actions must be consistent with the Staff Regulations and that any which have financial implications should be treated in accordance with the Financial Regulations.**

55. In this connection, the Advisory Committee recalls paragraph 35 of General Assembly resolution 57/300 by which the Assembly, inter alia, took note of the request of the Secretary-General in his report entitled "Strengthening of the United

Nations: an agenda for further change" (A/57/387 and Corr.1) for a degree of flexibility to reallocate resources between programmes and between allocations for personnel and other allocations within a single budget period and in exceptional circumstances. The Assembly also requested the Secretary-General to develop criteria for the use of any such authorization, propose modalities for reporting the duration and programmatic impacts of reallocations, including specification of the exceptional circumstances in which the authority would be used, and to report thereon to the Assembly, through the Advisory Committee, for its consideration at its fifty-eighth session. In paragraph 13 of its resolution 58/270, the Assembly reaffirmed those provisions. **The requested report should be provided to the Assembly at the main part of its sixtieth session, in time for its consideration in conjunction with the proposed programme budget.**

Accountability

56. The Advisory Committee notes with interest that the Secretary-General has undertaken a number of initiatives designed to deal with the matter of accountability in the Secretariat. Among these are:

(a) The establishment of a Management Performance Board to assess the performance of senior managers;

(b) The establishment of an Oversight Committee for the Secretariat to ensure that appropriate management action is taken to implement the recommendations of the Office of Internal Oversight Services, the Board of Auditors and the Joint Inspection Unit;

(c) The issuance of a whistle-blower policy;

(d) The preparation of recommendations to expand the scope of financial disclosure required of senior officials;

(e) The preparation of a comprehensive anti-fraud and corruption policy.

The issue of accountability has been of long-standing concern to the Advisory Committee; however, until and unless there are sanctions in place for failure to perform, such measures will have no real impact. The Committee recalls, in this connection, that the General Assembly has requested the Secretary-General to enhance managerial accountability "with respect to human resources management decisions, including imposing sanctions in cases of demonstrated mismanagement of staff and wilful neglect of, or disregard for, established rules and procedures" (resolution 59/266, sect. I, para. 14).

57. **It strikes the Advisory Committee that the notion of sanctions should be broadened to apply not only to human resources decisions, but also to performance as a whole in accordance with results-based-budgeting principles. If sanctions are to be imposed, they must first be defined. In this connection, the Committee points out that the idea of sanctions has been referred to frequently over the years as the means by which accountability is enforced; however, without concrete measures, little or no progress will be made. In the opinion of the Committee, there should be a whole range of specific disincentives for failure to perform satisfactorily, up to and including dismissal, as well as incentives for excellent performance. The Organization now finds itself in a position where, through the proper application of the Performance**

Appraisal System, it has the tools to measure performance against specific benchmarks and goals; it is the view of the Committee that the time has come to move away from theoretical to practical application of results-based-budgeting principles and truly performance-based management. The Committee makes a number of suggestions below that can be seen as first steps and that are not all-inclusive. For example, the question of dismissal and/or the non-renewal of contracts can be discussed further in the context of the consideration of the administration of justice and related issues. As indicated in paragraph 51 above, the Committee intends to address this issue comprehensively during the sixty-first session of the General Assembly.

58. The Advisory Committee was informed that performance compacts, which include an annual commitment to the Secretary-General to achieve measurable goals with regard to various programmes and management objectives, particularly with respect to human resources planning, have been introduced for Under-Secretaries-General. Upon its request for a sample compact, the Committee was informed that they were confidential. **In the first place, as the goals presumably tie in with the objectives and expected accomplishments that form the basis of the proposed programme budget, the Committee questions whether it is wise to insist on confidentiality vis-à-vis Member States and the Secretariat itself. In fact, if accountability is a serious goal, it would seem to make sense to make such commitments known. Second, the Committee is of the view that such compacts should be extended to the Assistant Secretary-General level and that a specific set of sanctions (up to and including termination of employment) should be put in place to deal with failure to perform or poor performance, bearing in mind that Under-Secretaries-General and Assistant Secretaries-General are engaged by means of letters of appointment for specific periods.**

59. At the United Nations, for the most part, the personnel responsible for managing day-to-day operations in the Secretariat are senior staff at the D-1 and D-2 levels, who, in many cases, hold permanent contracts. As things now stand, when such staff fail to perform they either remain in their position or there is a prolonged effort to place them in another job at the same level. **The Advisory Committee recommends that consideration be given to instituting an arrangement in the United Nations by which managers at the D-1 and D-2 levels are no longer assured of retaining their grade if they fail to perform satisfactorily. In this scenario, the P-5 level would be considered the base level for managers; managers at the D-2 and D-1 levels who failed to perform satisfactorily could be placed in another position at a lower level, down to D-1 or P-5. A similar system could apply to levels P-5 and below, where the base level could be P-3.**

60. **Conversely, provisions should be put in place to reward staff whose performance exceeds expectations; a staff member who shows unusual promise or leadership qualities should not be impeded by age or seniority.** The Advisory Committee recalls section I, paragraph 3, of General Assembly resolution 51/226, in which the Assembly expressed regret concerning the unsuccessful efforts to develop a management environment and culture in the Organization that would enable staff members to contribute their maximum potential, effectiveness and efficiency. **It appears to the Committee that that observation remains valid today, more than eight years later. In the opinion of the Committee, measures should be put in place to provide the necessary flexibility to accelerate the promotion of**

deserving staff, which would reinvigorate the Organization. In this connection, the Committee notes the pay-for-performance pilot project being carried out by the International Civil Service Commission. It should also be pointed out that to the extent that managers are truly held accountable for their performance, they must also be given the authority necessary to manage effectively.

61. **In a related matter, the Advisory Committee notes an increasing trend in the Secretariat to appoint deputies to senior managers. The Committee believes that the addition of an intermediate bureaucratic layer is undesirable in most cases and views this as symptomatic of a tendency to avoid hands-on management, which can only exacerbate the feeling of disconnection between staff and management. Moreover, it also dilutes the direct accountability and personal responsibility of the most senior managers.**

Staff selection, recruitment and placement

62. In the course of its discussions on the proposed programme budget, the Advisory Committee heard many complaints regarding the staff selection system from managers throughout the Secretariat. These range from delays relating to the required translation of vacancy announcements (in at least one case, more than 70 days) to a lack of procedures for dealing with advertising in advance for vacancies likely to result from internal promotion. The Committee notes that the effort to empower programme managers in the selection of staff has been coupled with cumbersome provisions for ensuring transparency, including a time-consuming reporting process. **While the Committee believes that a means for ensuring transparency is important, more practical and realistic reporting requirements would, in fact, create an incentive for managers to fully comply with what is requested of them.**

63. In this connection, the Advisory Committee requested clarification of the figures provided in section 28C, tables 28C.6 and 28C.9, of the proposed programme budget on recruitment time lines. The Committee was informed that the average number of days a post remains vacant in departments and offices in New York is estimated at 410 days for 2004-2005 and that the target for 2006-2007 is 350 days. The Committee was further informed that the average number of days a post remains vacant is a measure of the time between the separation of a staff member and the assumption of duty by his/her successor. **The Committee requests that a uniform standard for measuring recruitment time lines be applied throughout the Secretariat.**

64. Over the years, the Advisory Committee has been provided with many statistics regarding the length of time required for recruitment. Sometimes the criteria for measurement change, but they have all pointed to the simple fact that it takes too long to fill vacancies at the United Nations. **The Committee believes that bold action is necessary to break this long-standing impasse. It therefore recommends imposing a requirement that all posts which become vacant as the result of planned retirements must be filled within 30 days; otherwise the programme manager involved should be held accountable and his or her performance should be evaluated accordingly. Succession planning is a serious problem, and managers will have to begin the recruitment process well in advance of a planned retirement. As for other vacant posts and new posts, the Committee expects more rapid progress towards the approved target of 120**

days. If this is achieved, delayed recruitment factors will need to be reviewed. The Committee recalls, in this connection, that as far back as 1997 the General Assembly had requested the Secretary-General to instruct all programme managers to inform the Office of Human Resources Management of all vacancies immediately and of all foreseen vacancies six months before the posts become vacant (resolution 51/226, sect. III.B, para. 11).

65. One way for managers to shorten the selection process is to have recourse to the roster of candidates who have been endorsed by a central review body but who were not selected for the post for which they applied. Such candidates may be placed on a roster, valid for one year, for future vacancies with similar functions at the same level. Should an eligible roster candidate be suitable for a vacancy, the programme manager may recommend his or her immediate selection without reference to the central review body. **The Advisory Committee considers the roster as one important tool to expedite the staff selection process, as it provides a way for full advantage to be taken of the work done by the Office of Human Resources Management, programme managers and the central review bodies, as well as the resources expended, for each vacancy. Moreover, with its potential to shorten and simplify the recruitment process, the roster system provides an incentive for managers to look outside their circle of professional acquaintances at qualified (and vetted) candidates, and likewise provides candidates with the opportunity to be truly considered for positions for which they are qualified; this will have added importance if the staff mobility programme is implemented as planned. In view of the protracted recruitment process, the Committee is of the opinion that consideration should be given to the best way of managing the roster, including the time period that candidates remain on it. The Committee encourages the Secretary-General to address the roster system in his forthcoming report on efforts to reduce delays in the process of selection, recruitment and placement of staff to be submitted to the General Assembly at its sixty-first session pursuant to Assembly resolution 59/266 (sect. II, para. 4). In this connection, the Committee reiterates its view that effective management of such a roster, including the automatic electronic notification of programme managers concerning eligible roster candidates, could provide a means for shortening the recruitment time line (see A/59/446, para. 16).**

66. Upon enquiry, the Advisory Committee was informed that a roster management system was soon to be introduced. Previously, the human resources case officer for each vacancy was obliged to manually search in the Galaxy electronic staffing system for relevant rostered candidates. The Committee was informed that the new system would pull all relevant cases automatically and that the case officer would make the determination as to similarity of functions. The Committee trusts that the system will be further refined to make it more automatic by eliminating the need for the case officer to review the rostered candidates. **The Committee notes with concern that the new staff selection system was put into place in 2002 without an adequate means of handling the rosters that were to be a part of it.**

67. Problems with the Galaxy system continue to plague the staff selection process. Though improvements have been planned since inception of the system, the Office of Human Resources Management continues to find itself inundated with more applications for announced vacancies than it can easily handle. The other side

of the equation is that users find that applying online through the personal history profile, which, according to the electronic introduction to the system, should take approximately 30 to 40 minutes to complete, can require hours of frustrating work.

68. In the context of arrangements for regularizing the budgetary and technical support for Galaxy and transferring responsibility for the system from the Department of Peacekeeping Operations to the Department of Management, the Secretary-General has stated his intention to undertake a review to establish the most appropriate technological infrastructure for the Galaxy system, including the possible use of "off-the-shelf" packages to support some of its functions (A/59/265/Add.1, para. 7). **In this connection, the Advisory Committee reiterates its recommendation that lessons learned with regard to Galaxy should be fully documented and analysed and that the experiences of other large organizations that have installed similar systems should be reviewed (see A/59/736, para. 120). Given the well-known problems with Galaxy, the Committee welcomes the intention of the Secretary-General to evaluate alternative electronic staffing systems.**

Staff mobility

69. The Advisory Committee has repeatedly stated its support for the promotion of mobility of staff as a means to develop a more flexible and multi-skilled workforce. However, the administrative and financial implications of the reassignment programme, which will require staff to move every five years beginning in 2007, have not been addressed. The Committee points out that the proposed programme budget contains no reference to the cost of this exercise. In this connection, the Committee notes that the General Assembly, in section VIII, paragraph 5, of its resolution 59/266, has requested the Secretary-General to develop a strategic plan with indicators, benchmarks, time lines and clear criteria for the implementation of mobility policies and to report thereon, including with information on the financial implications, to the Assembly at its sixty-first session. That report should also include measures to ensure appropriate monitoring and accountability.

National professional officers

70. In its most recent reports on peacekeeping operations, the Advisory Committee devoted considerable attention to the need to promote the widest possible use of national staff at both the Professional and General Service levels (see A/59/736). The United Nations has an obligation to foster the sustainability of the assistance it delivers by encouraging the development of national potential and the creation of a durable human resources infrastructure. The presence of national staff in United Nations field offices and peacekeeping operations also permits the Organization to be more sensitive to the capacity-building needs and priorities of the local population. **Although opportunities for the employment of national staff in regular budget activities are more limited than they are for peacekeeping, the Committee nevertheless encourages a sustained effort to attract and employ this category of personnel wherever practical and feasible, such as in the regional commissions, the United Nations Office at Nairobi and the United Nations information centres. Activities financed through extrabudgetary resources, where opportunities may be more prevalent, would also benefit from this type of outreach.**

71. **The Advisory Committee is of the opinion that thought should be given to authorizing programme managers during the implementation of a particular budget to flexibly utilize international posts for national officers if they consider it a more effective means of attaining programme objectives, with associated savings remaining available to promote programme implementation. The Secretary-General should report thereon in the next proposed programme budget.**

Regular budget established and temporary posts

72. Under the expenditure sections and income section 3, Services to the public, of the proposed programme budget for the biennium 2006-2007, the Secretary-General requests a total of 9,630 posts. In table 5, the request for 2006-2007 is compared with the authorized staffing table for 2004-2005.

Table 5
Post requirements

	Professional category and above			*General Service and related categories*			*Total*		
	2004-2005	*2006-2007*	*Increase (decrease)*	*2004-2005*	*2006-2007*	*Increase (decrease)*	*2004-2005*	*2006-2007*	*Increase (decrease)*
Established posts	3 934	4 022	88	5 501	5 418	(83)	9 435	9 440	5
Temporary posts	44	37	(7)	162	153	(9)	206	190	(16)
Total	**3 978**	**4 059**	**81**	**5 663**	**5 571**	**(92)**	**9 641**	**9 630**	**(11)**[a]

[a] Includes a reduction of one post under income section 3.

73. A detailed discussion and comprehensive analysis of the proposed staffing appears in paragraphs 17 to 26 of the Introduction to the proposed budget. A summary of the proposals of the Secretary-General for regular budget posts by section of the programme budget is contained in table 5 of the Introduction.

74. The Advisory Committee requested information on the total number of regular budget and extrabudgetary posts authorized since 2000, as well as on the total number of approved and projected posts in all peacekeeping operations from 2002 to 2006. That information is contained in annex I to the present report. **The Committee requests that, in future, information be provided concerning posts on loan as well.** Annex II contains a list of new and abolished posts by section of the proposed programme budget.

75. The Advisory Committee found that the budget fascicles and the supplementary information provided to it offered little justification to substantiate the creation of new posts or the reclassification of existing posts. During the course of its hearings, in order to properly consider such requests, the Committee had to seek additional oral and written information from the Administration. **The Committee underlines that the supplementary information provided to it should include workload statistics to justify new posts, while changes in the nature and scope of responsibilities should be indicated to justify the reclassification of existing posts.**

76. In addition, the Advisory Committee has noted a tendency for organizational units to borrow posts and to seek their regularization as new posts. **The Committee stresses that this practice lacks transparency and should be avoided in favour of straight redeployment. In a related matter, the Committee notes that four posts have been proposed for redeployment between budget sections for 2006-2007, as follows:**

- One P-5 post to be transferred from section 28A, Office of the Under-Secretary-General for Management, to section 10, Least developed countries, landlocked developing countries and small island developing States
- One P-4 post to be transferred from section 10 to section 28A
- Two General Service (Other level) posts to be transferred from section 2, General Assembly and Economic and Social Council affairs and conference management, to income section 3, Services to the public

Annex III contains a list of posts proposed for redeployment; except for the posts listed above, all are for internal redeployment.

Reclassifications

77. A total of nine posts are proposed for reclassification as follows:

- Two P-5 posts to D-1
- One P-3 post to P-4
- One P-3 post to P-2
- One P-2 post to P-3
- One Field Service post to P-3
- One General Service (Other level) post to P-2/1
- Two Trades and Crafts posts to General Service (Other level)

The Advisory Committee recalls that in its first report on the proposed programme budget for 2004-2005,[4] it made extensive comments on the subject of reclassification of posts (paras. 68-79). In paragraph 74 of that report, the Committee recommended that the existing authority for the Secretary-General to reclassify posts be refined so as to provide the ability to reclassify posts from G-1 to G-6 and from P-1 to P-5, provided that the overall number of posts in each grade did not change. Although the General Assembly granted approval for up to 50 posts to be made available for redeployment Organization-wide (resolution 58/270, para. 14; see also para. 52 above), the above-cited recommendation of the Committee was not specifically addressed. **The Committee reiterates that recommendation at this time for the reasons given in its previous report. The observations and recommendations of the Committee on the reclassification of posts for the biennium 2006-2007 are contained where appropriate in chapter II of the present report.**

Vacancies

78. Vacancy rates are discussed in paragraphs 31 and 32 of the Introduction to the budget. As indicated, a uniform rate of 4.9 per cent for Professionals and 1.5 per

cent for the General Service and related categories is proposed for continuing posts. The Advisory Committee notes that an adjusted vacancy rate of 1.5 per cent for continuing General Service posts is proposed for 2006-2007 (down from 3.8 per cent in 2004-2005) in anticipation of the lifting of the suspension of recruitment action for new vacancies in General Service posts (see paras. 79-82 below); as a result, a provision of $20.8 million is incorporated under recosting.

Staff ratio

79. As shown in table 5 above, approximately 57.8 per cent of regular budget established and temporary posts requested are in the General Service and related categories. The Advisory Committee notes from the supplementary information provided to it that the General Service and related categories account for 65.8 per cent of extrabudgetary posts. This compares with 58.7 per cent of regular budget and 64 per cent of extrabudgetary posts in 2004-2005.

80. By paragraph 25 of its resolution 58/270, the General Assembly requested the Secretary-General to suspend recruitment action for new vacancies in General Service posts for the biennium 2004-2005. The reasoning behind the recruitment freeze was that technological advances had reduced the need for support staff and that the time had come therefore to reduce the ratio of General Service to Professional staff. According to the Secretary-General, the proposed abolition of 90 General Service posts in 2006-2007 largely reflects the Organization's return on investment in the automation of work processes (A/60/6 (Introduction), para. 21; see also para. 81 below). The Secretary-General also indicates that the ratio of General Service to Professional posts will decrease from 1.41 to 1 in 2004-2005 to 1.36 to 1 in 2006-2007 (ibid., para. 22). There has, however, been a downside to the freeze, in that many departments have reported increasing difficulty in implementing individual programmes of work as a result of the suspension of General Service recruitment, as noted in the first performance report on the programme budget for the biennium 2004-2005 (A/59/578, para. 42).

81. Despite the attribution of reductions in General Service staff to efficiency gains, the Committee notes that the proposed abolition of General Service posts is nearly offset by requirements for new Professional posts, many of which are at the junior Professional levels. **While the Committee appreciates the statement that this demonstrates the "continuing and concrete efforts of the Organization to revitalize and rejuvenate the Secretariat at the junior Professional levels" (A/60/6 (Introduction), para. 23), it does not escape the attention of the Committee that the proposed post abolitions in the General Service category are nearly cancelled out by the posts to be established in the Professional category. Similarly, the Committee has noted an increase in extrabudgetary General Service staff. Although this may not necessarily amount to tactics for getting around the General Service recruitment freeze, the Committee does not believe that it is in the best interest of the Organization to hold vacant those General Service posts which have evolved into an important support function in some areas. Clearly there is a need for such staff, which is being met in a variety of ways.**

82. **While the Advisory Committee firmly believes that there may be some General Service functions that could be combined or posts that could be abolished as a result of advances in information technology and measures to**

reduce duplication and inefficient administrative processes, it is of the view that the suspension of General Service recruitment across the board may have been too broad a measure.

83. **Accordingly, the Advisory Committee recommends that the suspension of recruitment be lifted. The Committee further recommends that a comprehensive analysis of the functions performed by the General Service staff be undertaken with a view to more accurately determining which posts can be eliminated without detriment to the work of the Organization. This should form part of the report to be submitted to the General Assembly at the beginning of its sixtieth session in accordance with section VIII, paragraph 7, of Assembly resolution 59/276. The Committee notes that the Secretary-General will also be submitting a report on a time-bound plan for reduction of duplication, complexity and bureaucracy in United Nations administrative processes and procedures (see A/59/16, para. 348). The Committee also notes, in this connection, that the proposed vacancy rates for General Service staff anticipate the lifting of the suspension (see para. 78 above).**

E. Other staff costs, consultants and experts and contractual services

84. The Advisory Committee has been commenting for many years on the requirement that consultants should be hired only in instances where expertise does not exist within the staff of the Secretariat. Consultants should be hired for specific time-limited projects and the existing procedure for evaluating their work should be strictly followed; this evaluation should be used when deciding upon any future assignment. These considerations and a number of others are embodied in administrative instruction ST/AI/1999/7 on consultants and individual contractors, promulgated pursuant to General Assembly resolution 53/221. **Nevertheless, the proper use of consultants requires strengthening of control at the central and departmental levels, as this is an area subject to misuse and abuse. The Committee has noted that, in a number of cases, funds for consultants are simply shifted from one subprogramme to another in the same amount. An example of this is given in the discussion on the Economic Commission for Europe, under section 19 of the proposed programme budget (see chap. II, part V, below). While this may be considered a type of redeployment, it is usually not explained as such. The Committee emphasizes that resources for consultants should be determined on a case-by-case basis and limited to specific activities for which necessary expertise is not available in-house. The Committee requests that special attention be paid to this matter and that the United Nations regulations on the use of consultants be applied strictly.**

85. As in the past, the Advisory Committee emphasizes that a clear distinction should be made between resources for consultants and those for expert groups. Furthermore, care should be taken to distinguish between use of general temporary assistance and consultancy funds and to ensure consistent application of the procedures for use of personal service contracts when they are to be financed by general temporary assistance. Moreover, consultants should not be hired over and over again for prolonged periods, and functions of a continuing nature should be accommodated from within the staffing table.

86. It has come to the attention of the Advisory Committee that a number of departments are including requirements, under contractual services or consultants, for external translation and editing of materials that should ordinarily have been handled by the Department for General Assembly and Conference Management. This is ostensibly due to the fact that the Department is so overburdened with parliamentary documentation that some publications and other materials receive low-priority treatment; in other cases, departments have missed the "slot" for processing their material or did not request processing in a timely manner. Departments have therefore hired their own external translators and editors.

87. **In the view of the Advisory Committee, all formal translation of publications and documents emanating from the United Nations Secretariat into official languages of the Organization should be handled centrally by the Department for General Assembly and Conference Management. If it is perceived that translation is not possible internally within a reasonable time frame, then there should be recourse to contractual translation through the Contractual Translation Unit of the Department. The advantages of central management of contractual translation and related work include economies of scale relating to the administrative overhead costs, a favourable bargaining position in contract negotiations with external translators and, perhaps most importantly, assurance of quality control.** The Committee has commented on this matter in detail in chapter II in the context of its consideration of section 2, General Assembly and Economic and Social Council affairs and conference management, of the proposed programme budget.

88. In a related matter, the Advisory Committee is aware of an increased interest on the part of the Secretariat in outsourcing. Outsourcing can be a useful method of achieving economies as long as a number of important criteria are met. Among these are that the activity is not required to be under the direct authority of the Secretary-General for political considerations or for reasons of confidentiality and/or security and that quality and timely provision of the service can be assured. Recourse to outsourcing is governed by the provisions of General Assembly resolution 55/232. The Committee continues to encourage creative ideas, within those guidelines, on ways and means of delivering the services required by the Organization.

F. Travel

89. Travel is an area on which the Advisory Committee has commented for many years, yet it remains an area of concern. Resources for travel of staff, which are estimated at $28,516,500 (before recosting), show a decrease of $14,273,700, or 33.4 per cent, as compared with 2004-2005 (see A/60/6 (Introduction), table 4). The Committee was informed that the decrease was due largely to the non-recurrent nature of the travel requirements for special political missions in 2004-2005. The Committee recognizes that the provision for special political missions in 2006-2007 is proposed as an undistributed amount. Upon request, however, the Committee was provided with a notional projection of travel requirements included in the provision for special political missions, which amounted to $13,771,800 (see table 4 above). The Committee was informed that after all non-recurrent travel provisions were deducted, the overall actual reduction under travel of staff was $768,600, or 1.8 per cent. Travel to be financed from extrabudgetary resources is projected at $136.4

million for 2006-2007, an increase in comparison with the $134 million estimated for 2004-2005.

90. The Advisory Committee has observed from its consideration of the individual budget sections and its discussions with the representatives of the Secretary-General that a significant portion of the provision is devoted to travel by senior management. **The Committee firmly believes that senior managers should spend most of their time at their home duty station managing the day-to-day functions of their departments or offices. In this connection, the Committee is of the opinion that there may well be a link between increased travel requirements and the increased number of requests for deputy posts (see para. 61 above). It is logical that a need for a deputy begins to be felt if the manager is often away. The Committee is concerned that travel may have begun to be viewed as a perquisite of senior management. While the Committee does not deny the importance that networking and face-to-face consultation have in a global organization such as the United Nations, it is of the view that travel by senior managers could be reduced considerably through greater recourse to videoconferencing and other electronic means of communication wherever possible.**

91. The Advisory Committee notes that the Joint Inspection Unit has issued a report on the harmonization of travel throughout the United Nations system (A/60/78). The Committee will take up the matter in the light of the comments of the Secretary-General on the report, which are to be issued at the end of July or the beginning of August 2005. The Committee does wish, however, to comment on recommendation 1 of the Unit, in which it recommends a review of the criteria used to determine the class of travel of staff members.

92. The Advisory Committee recalls, in this connection, its report on standards of accommodation for air travel, in which it stated its opinion that the time had come for a reconsideration of the whole question of first-class travel (A/59/573, para. 10). The Committee observed that in recent years, many airlines had significantly cut back, if not entirely eliminated, first-class sections on aircraft, choosing instead to offer enhanced business-class options. The Committee pointed out further that the differences in the level of accommodation between those classes appeared to be minimal. Taking those developments into account, the Committee noted that the General Assembly might wish to provide further guidance on the use of first-class travel with a view to its use in only the most exceptional circumstances. The Assembly took note of the Committee's report in its decision 59/559. **The Committee trusts that those considerations will be addressed in the review recommended by the Joint Inspection Unit.**

G. Administration of justice

93. In its interim report on administration of justice in the Secretariat (A/59/715), the Advisory Committee recommended that the Secretariat be authorized, using existing resources, to proceed with its efforts to eliminate current backlogs in: (a) conducting administrative reviews in the Office of Human Resources Management and preparing respondents' replies to the Joint Appeals Board; (b) processing and considering appeals in Geneva and Nairobi; and (c) the work of the Office of the Under-Secretary-General for Management related to the administration

of justice. The Committee expressed its intention to revert to the matter in the context of its consideration of the proposed programme budget for the biennium 2006-2007, with the expectation that a progress report would be available at that time.

94. That plan, however, has been somewhat overtaken by events, in that the General Assembly, on 13 April 2005, adopted a rather detailed resolution on the matter (resolution 59/283) in which it, inter alia, decided to form a panel of external and independent experts to consider redesigning the administration of justice system, which is to present its findings to the Assembly by the end of July 2006. Upon request, the Advisory Committee was provided with a breakdown of the additional resource requirements for administration of justice, included in the current estimates for 2006-2007 (see table 6). The Committee's observations and recommendations on the estimated resource requirements relating to the administration of justice are contained in chapter II below, under the relevant budget sections. The Committee will revert to the matter of administration of justice when it considers the report of the redesign panel established pursuant to Assembly resolution 59/283.

Table 6

Resource requirements for administration of justice

(Thousands of United States dollars)

Section		*2004-2005 appropriation*	*Resource growth*	*Total before recosting*	*Recosting*	*2006-2007 estimate*
1.	Overall policymaking, direction and coordination	1 174.9	680.8	1 855.7	102.1	1 957.8
8.	Legal affairs	1 564.1	29.7	1 593.8	94.5	1 688.3
28A.	Office of the Under-Secretary-General for Management	1 427.9	539.1	1 967.0	133.5	2 100.5
28E.	Administration, Geneva	397.0	50.5	447.5	32.2	479.7
28F.	Administration, Vienna	—	203.6	203.6	12.7	216.3
28G.	Administration, Nairobi	285.5	106.9	392.4	34.8	427.2
	Total	**4 849.4**	**1 610.6**	**6 460.0**	**409.8**	**6 869.8**

H. United Nations common system of salaries, allowances and benefits

95. The Advisory Committee is becoming increasingly concerned about the disparity among common system organizations in the treatment of entitlements for staff recruited internationally for service in non-family missions. Many of the United Nations funds and programmes are moving towards the special operations approach, under which the staff member and his or her family are installed in an administrative place of assignment at a location near the non-family duty station. Such staff receive the normal entitlements associated with the place of assignment, including post adjustment, mobility and hardship allowance and assignment grant, as well as a special operations living allowance (which is similar to mission subsistence allowance) at the non-family duty station. Staff members recruited by the Department of Peacekeeping Operations for assignment to a non-family mission receive only mission subsistence allowance (in lieu of post adjustment, assignment

grant and mobility and hardship allowance), and the family remains in the home country.

96. The Advisory Committee understands the attraction that the special operations approach has for the field-based organizations in that it provides a means for staff members who are required to serve on longer-term assignments in non-family duty stations to remain close to their families and that it is seen as a way to attract and retain experienced and high-performing staff. Mission subsistence allowance, on the other hand, represents the total contribution of the Organization towards the living expenses incurred by staff who are appointed exclusively for mission service and is determined on the basis of accommodation, food and miscellaneous expenses at the duty station. It has the advantage of administrative simplicity, which can be an important factor when dealing with large numbers of personnel on short notice or for shorter periods, and can be easily adjusted as prevailing conditions in the mission area change.

97. **Notwithstanding these factors, however, the Advisory Committee is concerned about the implications that discrepancies in terms and conditions of employment may have for the morale of staff who are working side-by-side in the same mission area, as well as about the competition for personnel that this is likely to engender among the United Nations and its funds and programmes in the field.** The Committee has commented on this matter in its general report on peacekeeping operations, in which it noted that the special operations approach, in general, provides for a more generous package of entitlements than are given to United Nations staff (see A/59/736, para. 63). **The Committee therefore recommends that the General Assembly, when it considers the comprehensive report on conditions of field service to be submitted to it at its sixty-first session in accordance with section X, paragraph 6, of Assembly resolution 59/266, give due consideration to preserving not only the letter but also the spirit of the United Nations common system of salaries, allowances and other conditions of service, which was intended, inter alia, to prevent competition for personnel among United Nations system organizations, facilitate the exchange of staff, afford economies of scale in the central maintenance of salaries and allowances and foster a sense of equity among staff working for different organizations in the same system.**

I. Establishment of a reserve fund

98. Paragraphs 35 to 40 of the Introduction to the budget deal with the establishment of a reserve fund for additional expenditures arising from currency fluctuation, inflation in non-staff costs and statutory cost increases for staff. The Secretary-General proposes that the General Assembly approve, in principle, the establishment of a reserve fund for the biennium 2008-2009 subject to the procedures outlined in annex II to the Introduction.

99. The Secretary-General indicates that the reserve would be funded from assessed contributions and replenished through savings due to variations in the forecast included in the programme budget in respect of currency fluctuations, inflation in non-staff costs and statutory increases for staff, or through further assessed contributions, as necessary. As concerns the level of the reserve, the level of $150 million initially proposed by the Secretary-General (A/44/665) may be

considered as a starting point for the reserve fund. Under the procedures for the reserve fund, in off-budget years the General Assembly would decide on the level of the fund, which would be included in the proposed programme budget for the next biennium.

100. The Advisory Committee points out that in the past, it has commented extensively on the question of additional expenditures deriving from inflation and currency fluctuations. For example, the Committee, having reviewed the practices of specialized agencies, concluded that there was an unavoidable cost associated with mitigating the effects of inflation and currency fluctuation and that the Assembly might accordingly wish to consider the continuation of the current system, whereby the estimate of requirements is adjusted annually on the basis of the most recent forecast by the Secretary-General of inflation and exchange rates (see A/43/929). Subsequently, the Committee expressed a number of difficulties with the idea of financing the reserve fund from the outset through assessment, pointing out that it would not allow Member States a more precise idea of the final total amount to be paid than was currently the case and, in addition, would result in advance payment for requirements that might or might not materialize (see A/44/729). The Committee has also commented recently on the issue of additional expenditures deriving from inflation and currency fluctuations (see A/57/7/Add.14 and A/58/7 and Add.5).

101. **The Advisory Committee reiterates its past position on the matter and, at this stage, recommends the continuation of the current system, whereby requirements are adjusted annually on the basis of the most recent forecast by the Secretary-General of inflation and exchange rates.**

J. Efficiency measures and gains

102. The Advisory Committee was provided, upon request, with information on efficiency measures introduced by the Secretariat during the past few years that would have an impact on resource requirements for the biennium 2006-2007. The Committee had previously commented on this topic in paragraphs 63 to 65 of its first report on the proposed programme budget for the biennium 2002-2003.[6] The Committee's comments and observations on efficiency measures and gains are reflected under various sections in chapter II below. The Committee points out that much of the impact of efficiency measures is cost avoidance rather than direct savings, although some measures would have a direct impact on staff costs and other resource requirements. **The Committee is of the view that considerable improvements need to be made in reporting on efficiency gains, which should be based on a well-established methodology, a common approach and standards, objective measurement tools and identifiable and realistic benchmarks and time frames. The issue of incentives and disincentives for programme managers to achieve efficiency gains should also be addressed. The Committee emphasizes the leading role and responsibility of the Department of Management in developing a coordinated approach in encouraging and reporting on efficiency gains. The Committee requests that, in future, a summary of efficiency measures and gains should be included in the introduction to proposed programmed budgets and that detailed information on such measures and gains should be reflected in supplementary information provided to the Advisory Committee.**

K. Extrabudgetary resources

103. Estimates of extrabudgetary resources, which are shown in the regular budget for information purposes, account for a significant portion of United Nations expenditures. The bulk of extrabudgetary resources are related to the Office of the United Nations High Commissioner for Refugees (UNHCR), the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), the United Nations Office on Drugs and Crime (UNODC), the United Nations Environment Programme (UNEP) and the United Nations Human Settlements Programme (UN-Habitat) (see table 7).

Table 7
Extrabudgetary resources estimated for the biennium 2006-2007
(Thousands of United States dollars)

	Amount	*Percentage of total*
A. Programmes with separate governing bodies		
UNHCR	2 022 860.0	
UNRWA	1 571 498.9	
UNODC	256 420.0	
UNEP	260 931.4	
UN-Habitat	149 807.5	
Subtotal	**4 261 517.8**	**75.7**
B. Technical cooperation funds	409 927.7	7.3
C. Reimbursement for support/services provided	466 363.9	8.3
D. Substantive trust funds	493 310.7	8.7
Subtotal	**1 369 602.3**	**24.3**
Total	**5 631 120.1**	**100.0**

104. The Advisory Committee reviews and submits reports on the related administrative budgets to the various programmes mentioned in section A of table 7 (see Preface and para. 121 of the present report). For the most part, the Committee examines other extrabudgetary resources maintained in special accounts in the context of its review of the proposed programme budget. The Committee also receives information biannually on the status of trust funds. Under the terms of section II, paragraph 2, of General Assembly resolution 35/217 of 17 December 1980, the Committee considers proposals for all new posts at the D-1 level and above funded through extrabudgetary sources that are not otherwise subject to scrutiny by an intergovernmental body. **The Committee reiterates its position that all such extrabudgetary posts should be managed with the same degree of care as is exercised with regular budget posts.**

105. As shown in table 7, some $1.37 billion in extrabudgetary resources relates to technical cooperation, reimbursement and trust funds. The Advisory Committee notes the information summarized in paragraphs 73 to 75 of the Introduction to the budget, including the statement that the level of extrabudgetary resources to be

received during a biennium and the number of posts to be funded cannot be determined with complete precision owing to the nature of voluntary contributions. In a number of instances, the Committee was informed by programme managers that additional funds were in the pipeline or that pledging conferences were to be held in the near future. The Committee recalls paragraph 130 of its first report on the proposed programme budget for the biennium 2004-2005,[4] in which it requested once again that steps be taken to improve forecasting techniques and recommended that the Secretary-General, wherever feasible, provide broad explanations of variances in projected extrabudgetary resources. The Committee notes that the overview of each budget section contains summary information on extrabudgetary resources and that, in some cases, that information was expanded to cover significant factors affecting the estimates for 2004-2005 and 2006-2007. **The Committee trusts that an effort will continue to be made to improve the accuracy of projections and to provide meaningful explanations of variances in extrabudgetary resources, both when comparing projections from one biennium to the next and when analysing the difference between projections and realized amounts.**

106. **With the continued increase in extrabudgetary resources available to the United Nations through voluntary contributions from Governments and the expanding trend and emphasis on obtaining funding from the private sector, the Advisory Committee believes that attention must be given to ensuring that extrabudgetary expenditures are subject to a greater measure of scrutiny and control. In this connection, the Committee reaffirms the statement it made in a report to the General Assembly at its forty-fourth session[9] that the information on extrabudgetary resources included in the proposed programme budgets should be structured in such a way as to permit an examination of the trust funds and extrabudgetary programmes by the Committee and to enable it to comment with specificity on proposals related to the administrative and/or support costs of the activities concerned, including the creation of new posts. With this in mind, the Committee recommends that the presentation of extrabudgetary resources be revised, with a view, in particular, to making it more compatible with results-based-budgeting principles.**

107. **Particularly in view of the expanded emphasis on obtaining funding from the private sector, the Advisory Committee believes that it is increasingly important that the Secretary-General establish that the receipt of the funding and the utilization of the funds will not in any way alter the priorities established by Member States in the relevant forums; that United Nations financial and personnel regulations and rules be adhered to; that, where donors require additional accountability, documentation and standards be established for those requirements; and that any additional support costs entailed in managing the funds be reimbursed on an agreed basis (see A/58/7, para. 133).**

108. Posts anticipated to be financed during 2006-2007 from extrabudgetary resources are summarized in table 2 of the Introduction to the proposed programme budget. It is estimated that extrabudgetary resources will finance a total of 9,587 posts, as compared with 8,808 for 2004-2005. The total initially estimated for the proposed programme budget for the biennium 2004-2005 was 7,527 posts. The Advisory Committee was informed that the total included posts for support services and substantive activities (including posts financed from operational funds at

established United Nations offices and those financed from the support account for peacekeeping operations).

109. In accordance with the terms of section II, paragraph 2, of General Assembly resolution 35/217, the Advisory Committee, since submitting its first report on the proposed programme budget for the biennium 2004-2005,[4] has concurred with the request by the Secretary-General to establish a D-1 post for the Director of the Latin American Institute for Economic and Social Planning and an Assistant Secretary-General post to head the Partnerships Office. The Committee also concurred with upgrading from the P-5 to the D-1 level five posts of heads of field offices in the Office for the Coordination of Humanitarian Affairs for its operations in the Democratic Republic of the Congo, the Sudan and the regional offices in Central/East Africa, West Africa and South Asia. The concurrence of the Committee was also sought for the reclassification of the post of Director of the new Coordination and Response Division of the Office for the Coordination of Humanitarian Affairs from D-1 to D-2. In view of the fact that the Division is responsible for implementing one of the core mandates of the Office, the Committee recommended that a request for the establishment of a D-2 post of Director under the regular budget be prepared and submitted.

L. Information technology

110. The proposed programme budget for the biennium 2006-2007 includes a provision of $234.8 million for information technology, an increase of $15.7 million compared with the current biennium. Information on the distribution of the total information technology resources of $234.8 million by budget section, as well as the Secretary-General's vision for the utilization of those resources during the coming biennium, is provided in paragraphs 58 to 64 of the Introduction to the budget. The Secretary-General indicates that proposals for 2006-2007 reflect the increasing importance of information technology in the work of the Organization and the resulting investment in information technology within individual budget sections, often through the reallocation of resources from non-information technology areas.

111. **While recognizing the effort that has been made, the Advisory Committee points out that numerous problems remain to be resolved, such as multiple database systems that are incompatible with each other; the need to integrate financial and performance monitoring systems (see para. 10 above); and the need to eliminate redundancy and duplication while improving business processes and the reliability of data. Moreover, the concept of results-based budgeting implies that more attention should be paid to reporting on expected accomplishments and results to be achieved, and this aspect is missing in reporting on information and communication technology requirements for the coming biennium.**

112. **The Advisory Committee is of the view that the Office of Central Support Services should play a leading role in the coordination and implementation of the information and communication technology strategy and that it should enjoy the strong backing and full cooperation of the Organization's senior officials. The Secretariat should pay increased attention to the need to eliminate duplication and parallelism in such projects. It also needs to take into account that the requirements for information and communication technology are**

different in the various units of the Secretariat (see chap. II, sect. 28 D below). The Committee reiterates, in this connection, its view that, given the magnitude of resources the Organization spends on information and communication technology, the creation of a new senior position of Chief Information Officer of the United Nations who would be responsible for developing the information and communication technology strategy, operational policies and procedures and the most appropriate structure for the service, would appear to be justified. The Committee stressed the importance of appointing to the post an expert with extensive professional expertise in the day-to-day running of a complex information technology system (see A/58/7, para. 126). Other comments, observations and recommendations on information and communication technology issues are reflected below in the Committee's review of section 28D of the proposed budget.

M. Hospitality

113. The total estimate for hospitality in the proposed programme budget for the biennium 2006-2007 is slightly more than $1 million (before recosting). While this is a comparatively small amount, its misuse or a lack of transparency in its use can convey an improper image both inside and outside the Secretariat. It is thus important to ensure that it is used in strict accordance with guidelines. The provision and use of hospitality funds is governed by administrative instruction ST/AI/2002/8. However, the Advisory Committee has observed no clear rationale for the estimates under this heading in the various sections of the proposed programme budget. Upon enquiry, the Committee was informed that the estimates were based on past experience. **The Committee believes that there should be greater consistency in the provision of funds for hospitality and trusts that the Secretary-General will do his utmost to ensure transparency in future budgeting of such costs. In this connection, the Committee requests the Board of Auditors to review the matter at its earliest possible convenience.**

N. *Repertory of Practice of United Nations Organs* and *Repertoire of the Practice of the Security Council*

114. The report of the Secretary-General on the *Repertory of Practice of United Nations Organs* and the *Repertoire of the Practice of the Security Council* (A/59/189) provides an update of the efforts undertaken to reduce the backlog in the publication of the *Repertory* and the *Repertoire*, in accordance with General Assembly resolution 58/248.

115. Concerning the *Repertory of Practice of United Nations Organs*, the Advisory Committee was informed that during the past 12 months, studies pertaining to volume I of Supplement Nos. 7, 8 and 9 and volumes IV and VI of Supplement Nos. 8 and 9 had been finalized. However, in 2004 the pace of preparation of the studies had slowed down considerably owing to a lack of funds, which has affected the progress of the work of practically all departments. The current pace of work raises the risk of increasing the backlog of volumes for which it had been gradually reduced in the past, such as volumes II and V of Supplement No. 8. It is likely that in 2005 the backlog will start to accumulate in volumes IV and VI, where it had

been almost eliminated. This contrasts markedly with previous years, when steady progress in the preparation of studies has resulted in a reduction in the backlog. **The Committee trusts that a way can be found to achieve as much progress on the *Repertory* as on the *Repertoire*.**

116. In paragraph 8 of its resolution 58/248, the General Assembly encourages cooperation with academic institutions in reducing the backlog. The Secretary-General reports that several externs assisted in the research for a study on Article 2, paragraph 4, of the Charter for a period of a few months. That experience demonstrated that, while this type of cooperation was certainly useful, it could be considered only a complementary resource for researching and collecting data during the preparatory phase of the studies. The bulk of the work of writing up the studies requires experienced Secretariat staff.

117. With regard to the *Repertoire of the Practice of the Security Council*, the Advisory Committee was informed that, as requested by the Member States, the Secretariat was in the process of upgrading the United Nations website to introduce multiple search capabilities. Advance versions of individual chapters are posted on the website once they have been completed and approved, eliminating the lengthy delays involved in their preparation for external publication. A significant increase in the use of the published supplements to the *Repertoire* already posted on the United Nations website has been noted.

118. According to the Secretary-General, the preparation and production of the *Repertoire* would not have been possible without the continued support of the General Assembly. Nonetheless, voluntary contributions to the Trust Fund for the Updating of the *Repertoire* remain an important element in sustaining progress in a situation where there are financial constraints.

119. The Secretary-General states that the consolidated reporting on the *Repertory of Practice of United Nations Organs* and the *Repertoire of the Practice of the Security Council* has contributed to a lack of clarity regarding the respective mandates and scope of the two publications (A/59/189, para. 16). **The Advisory Committee does not agree with this assessment. Any confusion between the two should be addressed through the proper dissemination of appropriate information. Otherwise, the Committee recommends that the General Assembly deal with the *Repertory* and the *Repertoire*, taking into account the suggestions of the Secretary-General in paragraphs 10 and 17 of his report.**

O. Publications

120. The Advisory Committee has commented extensively about publications over the years. The Committee has noted considerable progress in this area, where steps have been taken to use technological advances to streamline the publication process and to disseminate a number of publications electronically. Moreover, greater outreach is being attempted through the use of electronic media. **The Committee calls for continued attention in this important area and looks forward to a renewed and more vigorous Publications Board, which has recently been reconstituted by the Secretary-General.**

P. Cooperation with other United Nations bodies

121. Since the issuance of its first report on the proposed programme budget for 2004-2005,[4] the Advisory Committee has submitted reports to the following United Nations bodies:

(a) The Executive Board of the United Nations Development Programme (UNDP) and of the United Nations Population Fund (UNFPA):

(i) UNDP: strategic cost management and implications for cost recovery (DP/2004/36);

(ii) Additional security requirements to safeguard UNFPA personnel and premises globally (DP/FPA/2004/17);

(iii) Revision of UNFPA financial regulations and recovery of indirect costs for co-financing (DP/FPA/2005/4);

(iv) Revision of UNDP financial regulations (DP/2005/4);

(v) UNFPA: estimates for the biennial support budget for 2006-2007 (DP/FPA/2005/13);

(vi) UNDP: biennial budget estimates for 2006-2007 (DP/2005/32);

(b) Executive Board of the United Nations Children's Fund (UNICEF):

(i) Biennial support budget for 2004-2005 and supplementary support budget for 2002-2003 (E/ICEF/2003/AB/L.15);

(ii) Timing of the approval of the UNICEF biennial support budget (E/ICEF/2004/AB/L.3);

(c) UNHCR: Executive Committee of the High Commissioner's Programme:

(i) Annual programme budget for 2004 (A/AC.96/979/Add.1);

(ii) Annual programme budget for 2005 (A/AC.96/992/Add.2);

(d) Executive Board of the World Food Programme (WFP):

(i) Biennial management plan (2004-2005); strategic plan (2004-2007); report of the external auditor on the review of the WFP human resources strategy; second progress report on the implementation of the recommendations in the 2000-2001 audit report of the external auditor; best practices in oversight mechanisms (WFP/EB.3/2003/[4-A, 5 (A,B,C,D)]/2);

(ii) Business process review: pilot financing paper and basis for calculation of indirect support costs on ocean transport costs (WFP/EB.1/2004/5(A,B)/2);

(iii) Consolidated financial report; audited biennial accounts (2002-2003); report of the Inspector-General; update on the WFP management plan (WFP/EB.A/2004/6(A,B,C,E)/2);

(iv) Business process review: working-capital financing; financial framework for strategic priority 5 implementation: funding arrangements for United Nations staff safety and security; update on the WFP management plan 2004-2005; follow-up on the recommendations of the external auditor; report of the external auditor on financial reporting standards of WFP; proposed programme of work of the external auditor for the 2004-2005 biennium (WFP/EB.A/2005/6-F);

(v) Strategic plan 2006-2009; consolidated financial report; report of the external auditor on the upgrade of the WFP information network and global system; follow-up on the recommendations of the external auditor; business process review: progress report on implementation; update to the WFP management plan for 2004-2005 (WFP/EB.A/2005/6(A,B,C,D,E)/2; WFP/EB.A/2005/5-A/2);

(e) Board of Trustees of the United Nations Institute for Disarmament Research (UNIDIR):

(i) Draft work programme and proposed budget for 2004;

(ii) Activities of UNIDIR for the period from August 2003 to July 2004 and the proposed programme of work and estimated budget for the biennium 2004-2005;

(f) Commission on Narcotic Drugs:

(i) UNODC: consolidated budget for the biennium 2004-2005 (E/CN.7/2003/21);

(ii) UNODC: consolidated budget outline for the biennium 2006-2007 (E/CN.7/2005/9);

(g) Board of Trustees of the United Nations Institute for Training and Research (UNITAR):

(i) Institute's programme budget for 2004-2005;

(ii) Budget revision of the UNITAR general fund for the biennium 2004-2005;

(h) Advisory Commission of UNRWA: proposed programme budget for the biennium 2004-2005;

(i) Council of the United Nations University (UNU): proposed academic programme and budget of UNU for the biennium 2004-2005;

(j) Governing Council of the United Nations Environment Programme (UNEP): proposed biennial programme and support budget for 2006-2007 (UNEP/GC.23/8/Add.1);

(k) Governing Council of the United Nations Human Settlements Programme: proposed work programme and budget of the United Nations Habitat and Human Settlements Foundation for the biennium 2006-2007 (HSP/GC/20/9/Add.1).

Q. Format of the report of the Advisory Committee

122. The present report follows the format used in the Advisory Committee's review of the proposed programme budget for the biennium 2004-2005, in which the Committee attempted to minimize the duplication of information already available in the budget document and to focus on providing analyses; major emphasis was placed on observations and recommendations aimed at improving the management and utilization of resources that could facilitate decision-making in the General

Assembly. It should be noted that all references to budgetary resources in the present report are at revised 2004-2005 rates (i.e., before recosting) unless specifically identified as being at 2006-2007 rates.

R. Advisory Committee on Administrative and Budgetary Questions

123. It should be noted that estimates for the Advisory Committee itself for 2006-2007 include an additional four weeks of meeting time in comparison with the initial estimates for 2004-2005. This is necessitated, inter alia, by the expansion in the number, scope and complexity of peacekeeping operations (see A/59/736, paras. 29 and 30) and represents a trend for the work programme of the Committee in recent years. In this connection, the Committee points out that the number of reports it has issued increased from 93 in the biennium 1994-1995 to 137 in the biennium 2002-2003 and is continuing to increase, despite a concerted effort to limit the number by consolidating reports on related subjects. Without this effort, it is entirely possible that the number of reports issued in recent years would be at least twice what it was in 1994-1995. Given these developments, the Committee and its secretariat are finding their time and human capacity stretched to the limit. The Committee is now in almost continuous session throughout the year, meeting twice a day, every day, compared with a more flexible daily schedule in the past. The time available for members to study documents and prepare for meetings is thus limited to nights and weekends. Obviously, such a situation was not foreseen when the Committee was first established. **The General Assembly may wish to discuss this issue and provide appropriate guidance in this regard.**

S. Overall position of the Advisory Committee on the initial budget estimates for the biennium 2006-2007

124. **During its consideration of the proposed programme budget, the Advisory Committee was informed that the estimates pertaining to a number of sections might be significantly affected by decisions yet to be taken on the Secretary-General's latest proposals for reform. Moreover, the Committee was informed that the Secretary-General intended to submit revised estimates for the Office of Internal Oversight Services and that the General Assembly would be receiving an implementation report on measures approved for the newly created Department of Safety and Security. In addition, and in accordance with approved procedures, revised estimates will be submitted for the International Trade Centre UNCTAD/WTO. The Committee intends to deal with these matters as they arise during the sixtieth session of the Assembly. In the meantime, the Committee has adopted a step-by-step approach and has dealt with the estimates placed before it on their own merits.**

125. **The Advisory Committee has consistently pointed to the need to go beyond incremental budgeting and to evaluate and consider the entire quantum of resources necessary to carry out the programmes and activities mandated by the General Assembly and other organs. Nevertheless, after a thorough consideration of the estimates, the Committee finds itself, by and large, in agreement with the overall budget level proposed by the Secretary-General. The Committee, in chapter II of the present report, has made a number of**

specific recommendations regarding posts and other objects of expenditure, but the reductions recommended do not significantly affect the overall level of the budget. In this connection, the Committee has refrained from providing a total costing for those recommendations since, if they are accepted by the General Assembly, they will be taken into account in the recalculation traditionally made by the Secretariat and furnished to the Fifth Committee before the adoption of the budget by the Assembly. In its specific recommendations in chapter II, the Advisory Committee has also pointed to a number of areas in which economies can be achieved without making a specific recommendation for a reduction. Such savings should be reported in the performance report.

126. **In this period of restrained budgetary growth, it becomes increasingly important to ensure that resources are used to effectively meet changing priorities and requirements. The Advisory Committee has therefore concentrated its efforts on making recommendations aimed at the most efficient use of resources. As indicated above, there are a number of serious deficiencies in the administration and management of the United Nations. With the increasing emphasis on results and the demand of Member States for accountability, it is absolutely essential to provide specific guidelines and objectives for achieving greater productivity and efficiency. The Committee trusts that its efforts will result in a positive contribution towards that end.**

Chapter II

Detailed recommendations on the proposed programme budget

A. Estimates of expenditure

Part I
Overall policymaking, direction and coordination

Section 1
Overall policymaking, direction and coordination

Proposal submitted by the Secretary-General	$65,813,600*
Revised appropriation for 2004-2005	$61,543,200
Projected extrabudgetary resources	$22,230,400

A summary of the proposals of the Secretary-General for regular budget posts is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade level is contained in annex I below.

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* At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

Recommendations on posts

I.1 The establishment of one P-5 post is proposed for a Senior Conflict Management Officer in the Office of the Ombudsman (A/60/6 (Sect. 1), para. 1.75). The Advisory Committee notes that this post, which the Committee recommended establishing for the biennium 2004-2005, is being resubmitted. The functions of the post have been modified, however, to include the review, analysis and interpretation of systemic trends that come to light through the cases dealt with by the Office, the identification of problems and issues and the preparation of conclusions regarding the scope of work of the Office. These functions are in addition to assisting the Ombudsman and the Director of the Office on individual cases of conflict resolution. It is anticipated that the Office will make recommendations directly to the Secretary-General on the basis of such analysis. The Committee is concerned that this may overstep the mandate of the Office. **The Committee is of the opinion that the Office of the Ombudsman should address high-priority operational issues to the maximum extent possible. Analysis of issues beyond the mandate of the Office should be left to entities such as the Office of Internal Oversight Services and the Office of Human Resources Management. That being said, the Committee recognizes the increased workload in conflict resolution cases requiring senior-level involvement. The Committee therefore recommends approval of the post for the purpose of assisting with the caseload of the Office.**

I.2 The establishment of one P-3 post is proposed for an Information Advocacy and Outreach Officer in the Office of the Ombudsman (ibid.). This post is requested to assist in efforts to strengthen the communication and outreach strategy of the Office and to provide information on the role of the Ombudsman and procedures for conflict management. In this connection, the Advisory Committee was informed that, of the Office's constituency of approximately 27,600 staff members worldwide, 25 per cent is located at Headquarters, 32 per cent at offices away from Headquarters and 43 per cent in the field missions. Furthermore, approximately 68 per cent of the staff members in the field are recruited locally. **In view of the distribution of the constituency of the Office of the Ombudsman, the Committee believes that the outreach function is extremely important. It therefore recommends approval of this post.**

I.3 The establishment of two General Service (Other level) support staff is requested for the Office of the Ombudsman (ibid.). **The Advisory Committee was informed that the workload of the Office had increased steadily since its establishment — with 138 staff members seeking assistance in 2002, 405 in 2003, 420 in 2004 and 200 in 2005 as at 31 May. In view of the increasing workload, the Committee recommends approval of the request for two General Service support staff.**

I.4 As noted in paragraph I.69 of the proposed programme budget, by its resolution 59/261 the General Assembly requested the Special Representative of the Secretary-General for Children and Armed Conflict to continue to submit reports to the Assembly and the Commission on Human Rights. Accordingly, resources from the regular budget have been provided, as part of the revised appropriation for the biennium 2004-2005, to maintain the Office of the Special Representative of the Secretary-General to December 2005. Funding beyond 2005 would be contingent upon the availability of voluntary contributions and subject to the review of the mandate of the Special Representative at the sixtieth session of the General Assembly. Consequently, no provisions have been made for the biennium 2006-2007. The eight posts in the Office would therefore be discontinued. The staffing of the Office consists of one Under-Secretary-General, one P-5, three P-4/3, one General Service (Principal level) and two General Service (Other level) posts.

Other comments and recommendations

Presentation

I.5 It appears that little account has been taken of the Advisory Committee's recommendation that an attempt should be made to refine the results-based-budgeting presentation under executive direction and management (A/58/7, para. I.16). The expected accomplishments and indicators of achievement (see A/60/6 (Sect. 1), table 1.20) read word-for-word as they did in the proposed programme budget for the biennium 2004-2005. The results-based-budgeting presentation is included for executive direction and management on the basis of a recommendation made by the Committee for Programme and Coordination,[10] which was endorsed by the General Assembly in its resolution 56/253. The Committee points out, however, that executive direction and management does not form part of the biennial programme plan for the period 2006-2007; there would appear to be nothing, therefore, preventing the Secretary-General from refining the objectives, expected accomplishments and indicators of achievement. **Accordingly, the Committee reiterates its recommendation that an effort be made in the next proposed programme budget to make the presentation for executive direction and**

management more specific and to incorporate some of the advances in results-based budgeting exhibited in other sections of the budget (see A/58/7, para. I.16).

I.6 With regard to the presentation of the logical framework for the Office of the Ombudsman, the Advisory Committee notes that the programme narrative in paragraph 1.71 of the proposed programme budget contains hard data concerning the number of cases brought to the Office as well as the percentage of those resolved to the satisfaction of the staff member, which could have been used to quantify performance measures. Upon enquiry concerning the indicator of achievement which reads "reduction in the number of instances of recourse to the formal grievance process", the Committee was informed that there had been a reduction of 30 per cent by 2003 in the number of cases submitted to the Joint Appeals Board at Headquarters and a further reduction of 14 per cent by 2004. **The Committee recommends that quantifiable performance measures be included in the next programme budget.**

I.7 **In a related matter, the Advisory Committee believes that consideration should be given to including a results-based-budgeting presentation for the secretariats of policymaking organs as well. The Committee understands the difficulties entailed in formulating expected accomplishments and quantifiable indicators of achievement for the secretariats of such entities; however, an effort should be made to conform the presentation of this subsection with the rest of the proposed programme budget.**

General Assembly

I.8 Estimated resource requirements for backstopping of the Presidents of the General Assembly by the Department for General Assembly and Conference Management amount to $1,052,600 before recosting, an increase of $946,200 over the appropriation for 2004-2005. The increase reflects the decision by the Assembly to make available five additional posts to supplement the current support provided to the Presidents of the Assembly, of which three are to be filled on an annual basis following consultations with the incoming President (resolution 58/126). Two positions have been identified (1 P-4 and 1 P-3) within the existing establishment of the Department; the additional resources requested are to cover general temporary assistance for the remaining three posts (1 D-2, 1 D-1 and one General Service). **The Advisory Committee believes that the provision of such support to the Presidents of the Assembly is extremely important. The Committee notes, however, that the Assembly, under the terms of resolution 58/126, had intended that those costs be met from within existing resources. Therefore, while it does not recommend a reduction in the amount proposed for 2006-2007, the Committee urges that further efforts be made to identify existing resources that could be used for that purpose for the biennium 2008-2009.**

Board of Auditors

I.9 Regular budget resources requested for 2006-2007 for the Board of Auditors, including its secretariat, amount to $5,587,400 before recosting (A/60/6 (Sect. 1), table 1.13), reflecting an increase of $15,500 over the appropriation for 2004-2005. In addition, a total of $11,951,400 in extrabudgetary resources is projected for the biennium, an increase of approximately 19 per cent over the estimate for 2004-2005;

those resources relate to peacekeeping operations, United Nations funds and programmes and other extrabudgetary programmes. **In this connection, the Advisory Committee recalls its observation that the percentage of external audit costs charged to the regular budget appeared high in comparison with that charged to peacekeeping operations (see A/58/7, para. I.23). The Committee welcomes the more equitable distribution of costs as reflected in the estimates for 2006-2007 (see table I.1 below).**

I.10 The Advisory Committee was informed that the audit fee for 2006-2007 was estimated at $16,279,300 and included an increase of $1,883,100 ($215,400 from the regular budget and $1,667,700 in extrabudgetary resources). The Committee was further informed that the increase was due to: (a) new activities, such as the audit of the UNRWA Area Staff Provident Fund and peacekeeping missions in Burundi, Côte d'Ivoire, Haiti, and Liberia; (b) unfavourable exchange rate movement for the United States dollar; and (c) increased audit coverage. With the exception of the continuation of the annual report on the capital master plan, which was requested during the biennium 2002-2003, no additional requests have been made to the Board thus far for special audits that would require separate or additional resources during the biennium 2006-2007.

I.11 Upon request, the Advisory Committee was provided with information on the growth in the total cost of external audits since the biennium 1998-1999 (see table I.1).

Table I.1
Total cost of external audits
(United States dollars)

		Amount	*Percentage*
1998-1999	**Total fees**	**9 449 710**[a]	**100.0**
	Regular budget	3 079 670	32.6
	Peacekeeping operations	1 994 720	21.1
	UNDP/UNFPA/UNICEF/UNOPS	2 269 740	24.0
	Other extrabudgetary programmes	2 105 580	22.3
2000-2001	**Total fees**	**10 759 828**	**100.0**
	Regular budget	3 572 500	33.2
	Peacekeeping operations	2 148 240	20.0
	UNDP/UNFPA/UNICEF/UNOPS	2 436 150	22.6
	Other extrabudgetary programmes	2 602 938	24.2
2002-2003	**Total fees**	**11 957 038**	**100.0**
	Regular budget	3 884 021	32.5
	Peacekeeping operations	2 245 380	18.8
	UNDP/UNFPA/UNICEF/UNOPS	2 533 790	21.2
	Other extrabudgetary programmes	3 293 847	27.5
2004-2005	**Total fees (estimate)**	**14 396 209**	**100.0**
	Regular budget	4 255 400	29.6
	Peacekeeping operations	3 393 721	23.6

		Amount	Percentage
	UNDP/UNFPA/UNICEF/UNOPS	2 708 978	18.8
	Other extrabudgetary programmes	4 038 110	28.0
2006-2007	**Total fees (proposed)**	**16 279 300**	**100.0**
	Regular budget	4 470 800	27.5
	Peacekeeping operations	4 373 600	26.9
	UNDP/UNFPA/UNICEF/UNOPS	3 083 800	18.9
	Other extrabudgetary programmes	4 351 100	26.7

[a] Excludes the following adjustments:

(i) A reduction of $32,460 in the audit fee for the United Nations Institute for Training and Research;

(ii) The addition of $17,390 in the audit fee for the United Nations Interim Administration Mission in Kosovo.

I.12 Upon request, the Advisory Committee was provided with the actual audit costs as against available resources for the four bienniums since 1998 (see table I.2). The present practice for determining the amount of the audit fee is that the Board presents the allocation of audit assignments to the Committee for concurrence. The audit work is then divided among the three members of the Board and, at the end of each year, the auditors submit a summary of their fees. They are reimbursed up to the maximum amount approved by the General Assembly. The amount appropriated by the Assembly is normally shared equally among the three members. However, should there be a special audit undertaken by only one Board member, the Board may decide to allocate those fees to that member. The Committee was informed that only one of the three Board members reported costs higher than available resources. **The Committee intends to continue to monitor the adequacy of the audit fee.**

Table I.2

Actual audit costs compared to available resources

(United States dollars)

	Biennium			
	1998-1999	*2000-2001*	*2002-2003*	*2004-2005*
Actual cost submitted	9 549 816	11 254 788	13 088 138	15 207 517[a]
Available resources	9 434 640	10 759 828	11 957 038	14 396 209
Subsidy	115 176	494 960	1 131 100	811 308[b]

[a] Projection.

[b] Projected at double the reported 2004 subsidy amount.

I.13 The Advisory Committee requested information concerning the resources spent on outside expertise relating to audit assignments. It was informed that for the biennium 2002-2003, outsourcing costs amounted to $408,823, while the estimate for 2004-2005 was $296,297.

I.14 Upon enquiry, the Advisory Committee was informed that it was estimated that the number of on-site auditor-weeks in 2004-2005 would amount to 2,213. For 2006-2007, the proposal included 2,430 on-site auditor-weeks.

Committee for Programme and Coordination

I.15 As indicated in paragraph 1.32 of the proposed budget, by its resolution 31/93 of 14 December 1976, the General Assembly authorized the payment of travel expenses and subsistence allowance to the members of the Committee for Programme and Coordination as a special exception to the basic principles contained in paragraph 2 of resolution 1798 (XVII). This arrangement was approved for an experimental period beginning in 1978 and was to have been reviewed by the Assembly at its thirty-fourth session. The Committee notes that the results of the experiment have not yet been assessed. The estimates in the proposed programme budget are based on the assumption that those arrangements are still in place and that the Committee will meet for six weeks in the off-budget year and for four weeks in the budget year, even though the mandate of the Committee has changed considerably. The estimates thus represent a continuation of the current level of resources.

Executive Office of the Secretary-General

I.16 Proposed regular budget resources for the Executive Office of the Secretary-General amount to $23,209,000 before recosting, a decrease of $713,700, or 3 per cent, in comparison with the appropriation for 2004-2005. The reduction is attributable mainly to the non-recurrence of the one-time provision for activities carried out by the Special Adviser of the Secretary-General to enhance international peace and security in 2004 (see A/60/6 (Sect. 1), para. 1.41).

I.17 The Advisory Committee notes that the Secretary-General has undertaken a reorganization of the Executive Office, including strengthening the Office of the Chef de Cabinet and establishing a Scheduling Office. The goal of the establishment of the Scheduling Office is to allow the Secretary-General to make well-informed decisions regarding the use of his time and to ensure that he receives the talking points, briefing materials and operational support he needs to make the most of his meetings and other activities. In order to implement the reorganization, the Office of External Relations has been abolished. Most of its functions have been redistributed among the Department of Management, the Department of Public Information, the Department for General Assembly and Conference Management and the United Nations Fund for International Partnerships. A number of functions have been retained in the Executive Office, in the Scheduling Office and in the Office of the Deputy Secretary-General, such as coordinating the participation of the Secretary-General in events at and away from Headquarters and convening periodic meetings of the interdepartmental working group of focal points on non-governmental organization/civil society issues. The staffing complement of the Office of External Relations consisted of one Assistant Secretary-General, one D-1, one P-4, one P-3 and two General Service (Other level) posts. The Assistant Secretary-General post has been redeployed to the Office of the Chef de Cabinet, with the functional title of Deputy Chef de Cabinet, and the remaining five posts have been redeployed to the Scheduling Office (ibid., para. 1.39). **The Committee has commented in chapter I above on the growing tendency to establish deputy posts in the Secretariat.**

Offices of the Directors-General, at Geneva, Vienna and Nairobi

I.18 In the course of discussions on the Offices of the Directors-General, the Advisory Committee enquired as to measures to ensure accountability. It was informed that each of the Directors-General was required to sign a compact with the Secretary-General committing to the achievement of various programme and management objectives, which included benchmarks in such human resources planning areas as gender balance, geographical distribution and vacancy management. **The Committee has commented on the compacts in some detail in chapter I and has expressed its view, inter alia, that an effective tool should be developed to ensure accountability and responsibility with regard to the commitments made in the compacts.**

United Nations Liaison Office at Addis Ababa

I.19 The United Nations Liaison Office at Addis Ababa was established in 1998 to strengthen cooperation with the Organization of African Unity (now the African Union). Since the establishment of the Office, there have been many developments in preventive diplomacy and peacemaking in Africa, including the establishment of a number of special missions and offices of special representatives, advisers and envoys of the Secretary-General,[11] which, directly or indirectly, also communicate with the African Union. **The Advisory Committee once again expresses its concern that these offices may begin to duplicate one another (see A/56/7/Add.8, para. 11). While the Committee recognizes that there may be a need for a focal point for cooperation and coordination with the African Union, especially in view of the fact that there are a number of United Nations entities dealing with the African Union, it recommends that consideration be given to the feasibility of integrating such functions within the Economic Commission for Africa and/or some other entity in the region as a separately defined responsibility.**

United Nations Office at Brussels

I.20 A grant in the amount of $519,500 is proposed for the United Nations Office at Brussels to supplement the existing resources of the Office, which is currently operated by UNDP. Upon enquiry, the Advisory Committee was informed that the posts currently funded by UNDP in the United Nations Office at Brussels were as follows: one D-2, three P-5, one P-4, two P-2 and four General Service posts. The Committee was provided with a breakdown of the grant in terms of estimated equivalent post and non-post resources, as follows:

Posts	$414,500
Travel	$6,000
Rental of premises	$60,000
Communications	$24,000
Maintenance of office automation equipment	$7,000
Supplies	$2,000
Acquisition of office automation equipment	$6,000
Total	**$519,500**

The Committee was informed that the post resources of $414,500 would fund 50 per cent of the equivalent biennial cost of one P-5, one P-4 and one General Service post.

I.21 The rationale for the proposed level of support to be provided by the United Nations and the provision of that support in the form of a grant has not been explained to the Advisory Committee. Moreover, the Committee was informed that the status of the Office vis-à-vis the Government of Belgium was still unresolved. The Committee understands that the Director of the United Nations Office at Brussels is also the head of the United Nations country team, which includes the regional United Nations information centre and participating United Nations agencies. **The Committee recommends that, instead of a grant, traditional procedures for cost recovery be followed whereby the United Nations would reimburse UNDP on the basis of actual expenditure incurred by it on behalf of the United Nations. Any payment made should be reflected in the performance report. A more transparent explanation of the purposes of the grant, the status of the Office and the participation of other entities should be provided in the next proposed programme budget.**

Office of the Ombudsman

I.22 The Advisory Committee was informed that since the creation of the Office of the Ombudsman in 2002, there has been a significant decline in the number of cases submitted for formal resolution to the Joint Appeals Board at Headquarters. The number of cases submitted to the Board had declined by 30 per cent by 2003 and by a further 14 per cent by 2004.

I.23 The Advisory Committee notes, as indicated in paragraph 1.74 of the proposed budget, that any additional requirements for the Office of the Ombudsman arising from decisions contained in General Assembly resolution 59/283 on the administration of justice at the United Nations would be presented in the context of the revised estimates for 2006-2007. By that resolution, the Assembly decided, inter alia, that the Secretary-General should establish a panel of experts to consider redesigning the system of administration of justice. The findings and recommendations of the panel are to be submitted by July 2006.

I.24 Upon enquiry as to additional activities foreseen pursuant to resolution 59/283, the Advisory Committee was informed that an area of great concern to the Office was the need to provide services on an equitable basis worldwide, and, to that end, the establishment of regional outposts was under consideration. As noted in paragraph 1.72 of the proposed programme budget, the percentage of cases originating at Headquarters is on the decline. The Committee was informed that the results of the pilot project undertaken at the United Nations Office at Vienna, which was mentioned in paragraph I.26 of the Committee's first report on the proposed programme budget for the biennium 2004-2005,[4] had been very positive. In this connection, the Committee recalls its statement that it trusted that the Office of the Ombudsman at Headquarters would provide leadership for ombudsmen throughout the United Nations and in the peacekeeping operations and that the Ombudsman should be involved in setting up such offices, where appropriate, as well as in setting standards and operating procedures (ibid., para. I.27). The Committee notes the intention to broaden the scope of services provided to field offices and locally recruited staff. **The Committee expects that any such attempt will take full account of lessons learned, capacity and means and methods employed in field-based organizations.**

United Nations Administrative Tribunal

I.25 The Advisory Committee notes that, in accordance with paragraph 36 of General Assembly resolution 59/283, the resources of the United Nations Administrative Tribunal are to be transferred from section 8, Legal affairs, to section 1 starting with the biennium 2006-2007; the budget fascicles for sections 1 and 8, which were prepared prior to the adoption of resolution 59/283, will have to be amended accordingly.

Section 2

General Assembly and Economic and Social Council affairs and conference management

Proposal submitted by the Secretary-General	$590,129,900*
Revised appropriation for 2004-2005	$560,256,500
Projected extrabudgetary resources	$26,642,600

A summary of the proposals of the Secretary-General for regular budget posts by budget section is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade level is contained in annex I to the present report.

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* At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

Recommendations on posts

I.26 The establishment of one P-3 post for an Information Technology Programmer in the Planning and Coordination Section, Division of Conference Services, Nairobi is proposed (A/60/6 (Sect. 2), para. 2.83). A new P-3 post is requested to manage the information and performance monitoring system, enhance the development of meeting and documentation applications, implement the electronic processing of documentation and lead the technical support effort for further automation initiatives. This is a resubmission of a request made for the biennium 2004-2005, for which the Advisory Committee had recommended approval. The Committee was informed that the Division of Conference Services did not have a dedicated information technology component and therefore relied on the Information Technology Service at Nairobi, which did not have the capacity to fully support the conference services. As a consequence, the Division had been obliged at times to get help from other duty stations. **The Committee continues to believe that this post will be required, particularly in view of the continued emphasis of the Department on the eventual full electronic processing of documentation; it therefore recommends approval of this post.**

I.27 The establishment of 11 Reviser/Translator posts (9 P-4 and 2 P-3) is proposed in the Translation and Editorial Section, Nairobi (ibid., para. 2.87). These posts are requested in lieu of posts currently funded on a reimbursable basis from the extrabudgetary resources of UNEP, UN-Habitat and other United Nations agencies, funds and programmes. The Advisory Committee points out that the request is in accordance with General Assembly resolution 52/220, by which the Assembly requested the Secretary-General to bring the financial arrangements of the United Nations Office at Nairobi into line with those of similar United Nations administrative offices and to provide UN-Habitat with the capacity to improve its financial and administrative management. However, the time frame for implementing this policy has not been specified. **The Committee has no technical reason for objecting to any of the transfers; it will be for the Assembly to decide on whether all should be effected in 2006-2007.**

I.28 A total of 25 posts under the regular budget, plus two through cost-sharing, are proposed for abolition under section 2 due largely to the Organization's return on investment in technology and the implementation of organizational measures such as streamlined administrative and workflow processes, consolidation of reports and enforcement of page limits. The posts to be abolished are as follows: (a) in New York: 16 General Service (Other level) posts (1 under executive direction and management, 1 each under subprogrammes 1, 2 and 3 and 12 under subprogramme 4) and 2 Trades and Crafts posts (under subprogramme 4); (b) in Geneva: 7 General Service (Other level) posts relating to distribution, reproduction and text-processing activities; and (c) in Vienna: 2 General Service (Other level) posts relating, inter alia, to a reduction of workload in text-processing and reproduction. Upon request, the Advisory Committee was provided with a breakdown of proposed abolitions by duty station and office (see table I.3). **The Committee trusts that the abolition of the posts in question will not be offset in future by requests for Professional staff to perform essentially similar functions.**

Table I.3
Posts proposed for abolition (General Service (Other level))

Duty station	*Division/Service/Section*	*No. of posts*
New York	Office of the Under-Secretary-General	1
	General Assembly Affairs Branch	1
	Documents Control Section	1
	Terminology and Reference Section	1
	Verbatim Reporting Section	1
	Text-Processing Services	8
	Reproduction Section	2[a]
	Distribution Section	3
Subtotal		**18**
Geneva	Text-Processing Section	1
	Reproduction Section	1
	Distribution Section	5
Subtotal		**7**
Vienna	Text-Processing Section	2[b]
Subtotal		**2**
Total		**27**

[a] Trades and crafts.

[b] Through cost-sharing.

I.29 Proposed redeployments between subprogrammes are described in detail in paragraphs 2.31, 2.39, 2.46, 2.50, 2.54, 2.67, 2.71 and 2.75 of the proposed programme budget. A summary is provided in table I.4.

Table I.4
Summary of redeployments

Grade	*Outward redeployment from*	*Inward redeployment to*
	New York	
1 P-3, 4 General Service (Principal level), 21 General Service (Other level)	Subprogramme 4, Meetings and publishing services	Subprogramme 2, Planning, development and coordination of conference services
	Geneva	
2 General Service (Other level)	Subprogramme 2, Planning, development and coordination of conference services	Subprogramme 3, Documentation services
11 General Service (Other level)	Subprogramme 2, Planning, development and coordination of conference services	Subprogramme 4, Meetings and publishing services
1 P-4, 2 P-3, 2 P-2/1, 3 General Service (Other level)	Subprogramme 4, Meetings and publishing services	Subprogramme 3, Documentation services
1 P-3, 1 General Service (Other level)	Subprogramme 4, meetings and publishing services	Subprogramme 2, Planning, development and coordination of conference services
	Vienna	
1 P-3, 1 General Service (Other level)	Subprogramme 3, Documentation services	Subprogramme 2 Planning, development and coordination of conference services
1 P-3	Subprogramme 3, Documentation services	Subprogramme 4, Meetings and publishing services
5 General Service (Other level)	Subprogramme 4, Meetings and publishing services	Subprogramme 2, Planning, development and coordination of conference services

I.30 In addition, it is proposed to redeploy two General Service (Other level) posts in New York to the Department of Public Information under Income section 3, Services to the public, reflecting a transfer to that Department of responsibilities for managing overall sales and dispatch activities relating to United Nations publications (see A/60/6 (Sect. 2), para. 2.39). Upon enquiry, the Advisory Committee was informed that there were currently six staff members in the Sales Dispatch Unit. The proposal is to transfer all the functions of the Unit to the Department of Public Information, together with two General Service (Other level) posts and one General Service staff member already financed by the Department of Public Information through general temporary assistance. The three remaining General Service (Other level) posts in the Sales Dispatch Unit have been proposed for abolition. Upon enquiry, the Committee was informed that the incumbents of those posts would be reassigned to existing vacancies within the Publishing Section, where they would be performing similar distribution functions. The Department acknowledges that this will partly negate the efficiency gains; however, this is considered the best possible solution at this time in terms of staffing because the Department is faced with the matter of placing the three staff members in positions that match their skill profiles.

Recommendations on non-post requirements

I.31 Upon enquiry, the Advisory Committee was informed that the overall decrease of $8.7 million for other staff costs under section 2 consisted of reductions of $8,313,700 in temporary assistance for meetings, $35,000 in general temporary assistance and $354,300 in overtime. These reductions relate mainly to: (a) the transfer of some resources to contractual translation in line with the current policy of the Department to increase reliance on contractual translation services as a more cost-effective way of having certain types of materials translated; and (b) to anticipated savings owing to such organizational measures as consolidation of reports and enforcement of page limits and streamlining and re-engineering of workflow processes. The Committee notes that the reductions are offset in part by an increase of $5,599,200 under contractual services. The Committee held a detailed discussion with representatives of the Secretary-General concerning all of these matters.

I.32 The Advisory Committee notes that the estimates for contractual services under subprogramme 2, Planning, development and coordination of conference services, in New York include a $1.4 million phased information technology project (see para. I.42 below).

Other comments and recommendations

I.33 At the end of its session on the proposed programme budget for 2006-2007, the Advisory Committee received an advance copy of a report of the Secretary-General on reform of the Department for General Assembly and Conference Management (A/60/112). The Committee questions the timing of the submission of the report. Surely its contents should have been taken into account in the consideration of section 2 of the proposed programme budget. The Committee will have to take up the report at its next session. **The Committee reiterates that reports relating to matters covered in the proposed programme budget should be submitted in time for the Committee to consider them in conjunction with the proposed programme budget.**

Presentation

I.34 **The Advisory Committee commends the Department for General Assembly and Conference Management for its continued improvement of the presentation of the budget fascicle and its attention to recommendations of the Committee.** It notes in particular the level of detail provided in annex III to section 2 on the status of implementation and expected benefits of major information technology projects; however, in some cases a clearer indication is needed concerning the state of progress on particular information technology projects (see para. I.45 below).

I.35 With regard to the logical framework, the Advisory Committee notes that the awkward phrasing, using two negatives, of the indicator of achievement "decreased percentage of representatives and Member States at intergovernmental organs and members of expert bodies expressing dissatisfaction with the quality of conference services", which forms part of the framework for subprogramme 2, Planning, development and coordination of conference services, for each of the duty stations, renders the formulation of performance measures a little difficult. **The Committee understands that this is an approved text that figures in the biennial programme plan; however, it would recommend a positive reformulation for this and other such indicators of achievement for the next biennium.**

I.36 The Advisory Committee was informed that the surveys used to measure the percentage of client "dissatisfaction" received a response rate of only 12 to 15 per cent. It may well be that users respond to such surveys only when they have something to complain about, in which case the low response rate is good news; however, if performance is truly to be measured, the Department will need to come up with new tools or innovative ways to motivate response. The Committee was also informed that the Department had been constrained in formulating the wording of the surveys by the need to have responses that fit into the logical framework.

I.37 A further complication in the logical framework is the inclusion of indicators that read more like external factors. For example, the indicator "decreased percentage of documents not submitted by author departments/offices in accordance with the required deadline" is something that the Department can encourage but cannot control; it should therefore be the responsibility of the submitting departments. In fact, it was reported to the Committee that the Department was encountering difficulty in enforcing adherence to page limits and the deadlines that emanate from the slotting system. The Department reported that it might be that the only avenue open to it was "naming and shaming" of those submitting offices that consistently submitted their reports late or exceeded the page limits. **The Advisory Committee believes, in fact, that this indicator of achievement should form part of the logical framework for each of the submitting departments rather than for the Department for General Assembly and Conference Management.**

I.38 The Advisory Committee notes that there is something of a disconnect between the budget narrative and the results-based-budgeting presentation. In particular, the Committee points out that performance measures are expressed in different units than are used in the workload indicators used in the supplementary information provided to the Committee. The performance measure for translation, for example, is expressed in pages, whereas workload indicators are given in thousands of words. **The Committee requests that these tables be harmonized.**

I.39 **With regard to the "optimal mix" of various modes of translation, which is included as an indicator of achievement under subprogramme 3, Documentation services, the Advisory Committee suggests that, in future, performance measures be expressed in percentages rather than number of pages.**

Efficiency gains

I.40 Upon request, the Advisory Committee was provided with information concerning efficiency gains reflected under section 2 of the proposed programme budget. It is estimated that the gains represent a total of $13,138,000, broken down roughly as follows: $3.9 million relating to the abolition of 27 posts (see para. I.28 above), $7.2 million relating to reduced workload and decreased requirements for general temporary assistance, temporary assistance for meetings and overtime and $2 million resulting from the expansion of the use of contractual translation.

Information technology

I.41 Upon enquiry, the Advisory Committee was informed that estimated resource requirements under section 2 for information technology amounted to $23,580,400 (see table I.5). The information in table I.5 was provided, in part, in response to the request of the Committee in paragraph I.68 of its first report on the proposed programme budget for the biennium 2004-2005[4] for clear identification of the information technology function, including total cost, staffing and other requirements. It does not, however, as the Committee also requested, give an indication of the benefits relative to the costs of proposed projects. **The Committee reiterates its request that such information be provided in the next proposed programme budget.**

Table I.5

Estimated resource requirements for information technology under conference management

		Requirements (thousands of United States dollars)	
Duty station	*Posts*	*Post*	*Non-post*
New York	1 P-5, 1 General Service (Principal level), 15 General Service (Other level)	2 440.9	9 958.4
Geneva	1 P-4, 2 P-2/1, 8 General Service (Other level)	5 151.3	2 827.9
Vienna[a]	1 P-3, 4 General Service (Other level)	793.1	1 768.9
Nairobi	1 P-3	119.0	520.9
Total		**8 504.3**	**15 076.1**

[a] At Vienna, resources are financed on a cost-shared basis.

I.42 The estimates under subprogramme 2, Planning, development and coordination of conference services, in New York include a $1.4 million phased information technology project to design and develop an application to integrate systems at conference-servicing offices in New York, Geneva, Vienna and Nairobi with the aim of implementing global management and integrating the management of meetings and documentation. Upon request, the Advisory Committee was provided with details on the project, including a breakdown of one-time and recurrent costs (see table I.6).

Table I.6
Integrated systems project

Initiative	*Objective*	*Outputs*	*Estimated costs (2006-2007)*
One-time costs			
Requirements analysis, New York	Interoperability of existing systems, adaptation and consolidation of infrastructure elements	Meet evolving needs, protect against obsolescence and contain operating costs. Integrate different systems and improve accessibility of real-time data, statistics and management information reports.	$170 000
Requirements analysis, Geneva, Vienna and Nairobi	Interoperability of existing systems, adaptation and consolidation of infrastructure elements	Meet evolving needs, protect against obsolescence and contain operating costs. Integrate different systems and improve accessibility of real-time data, statistics and management information reports.	$150 000
Integration of meetings and documentation databases	Provision of a robust relational database information system to help improve quality, efficiency and timely delivery of services	Build the platform to implement integration using service-oriented architecture and business logic for the application programme.	$185 000
Standardization of application servers	Resolution of back-end integration challenges, standardization of architecture, and organization of information technology standards	Create enterprise business processes, systems processes and utilities.	$180 000
Enterprise integration initiative	Integration of enterprise applications and use of service-oriented architecture	Build the platform for custom integration development and web integration of e-business applications.	$175 000
Data migration and production	Final implementation of integrated applications across duty stations	Provide for real-time availability of information, global access to data and systematic workload-sharing across duty stations; eliminate duplication of application development; enhance management of information and reporting tools; and re-engineer work processes, thus resulting in improved timeliness, cost-effectiveness in delivery of outputs and cost savings in downstream processing of documentation.	$185 000

Initiative	*Objective*	*Outputs*	*Estimated costs (2006-2007)*
Recurrent costs			
Application development and reporting tools	Provision of strategic and decision support systems for managers	Implement new generation of application using robust relational database management system, web services and XML-based technologies, thus moving to the new levels of software-to-software interaction. Improve reporting capabilities for management, users and clients of the Department.	$185 000
Data integrity and quality-assurance testing	Combination of data from multiple sources, standardization, validation and verification of data	Define and set business rules and standards for data; check data quality, consistency, accuracy and reliability. Ensure quality of the development process, test various modules and evaluate results with the help of user groups and the project team.	$170 000
Total			**$1 400 000**

I.43 **The Advisory Committee welcomes this initiative and trusts that real progress will be made during the biennium in, among other things, ensuring interactive capability among the various document-tracking systems in use at the four main duty stations and in developing an electronic means of determining workload across duty stations, as previously recommended by the Committee (A/58/7, para. I.63). Without these very basic tools, global management will remain a mere concept.**

I.44 As mentioned in paragraph I.34 above, the Advisory Committee welcomes the inclusion of annex III on the status of implementation and expected benefits of major information technology projects in section 2 of the proposed programme budget. However, the shorthand used in the column headed "Progress — milestones" makes a re-read necessary in some cases to determine which items have been completed, which are in progress and which have not yet been started, and even then it is difficult to be sure of the correct interpretation. In fact, time lines for the completion of some projects are conspicuously missing from the annex. There is no indication, for example, of whether work has even started on the electronic documentation planning and monitoring system.

I.45 The Advisory Committee was informed during its hearings on section 2 that progress in information technology in the Department had, in general, been slower than projected. As one of the largest departments in the Secretariat, the Department for General Assembly and Conference Management is under pressure to develop systems to streamline work processes and increase efficiency, and every biennium ambitious plans are made; however, as the Committee has commented in the past (see ibid., paras. I.69 and I.70), many of the projects reappear biennium after biennium with no clear picture given of progress achieved, leaving the impression that the obstacles to implementation are insurmountable. **The Committee believes the Department needs to have realistic goals for its information technology**

projects. It must also commit to a time frame for achieving each of those projects, and, if unforeseen obstacles to implementation are encountered, an explanation should be provided and an alternative plan of action proposed. Furthermore, if it turns out that a project does not yield the desired results, the Department should drop it so as to minimize the waste of resources.

I.46 The Advisory Committee notes, in this connection, that translation is an area in which information technology investments have not provided the expected results or savings. Most of the financial return on investment has been realized in the areas of meetings planning, publishing and text-processing. **The Committee recognizes that achievement of savings is not the only end; measures to improve quality and accuracy are important as well, particularly in an environment in which consideration is being given to outsourcing more and more of the work of the Department (see paras. I.59-I.62 below); however, the Committee reiterates its request that the benefits relative to the costs of proposed projects be indicated in the proposed programme budget (see para. I.41 above).**

I.47 Nevertheless, the Advisory Committee notes that great strides have been made in some areas of technological innovation. Electronic meeting scheduling and resource allocation through e-Meets and the interpreter assignment programme, for example, both appear to be quite successful. The Committee also notes that the e-Folder system, through which reference material is provided electronically to translation staff and contractual translators, has been used to some degree since 2002. The Committee understands there has been some resistance to its use, with some translators printing out their own hard copies of reference materials, but this will, in all likelihood, change with time. **It may be that the reference function will then need to be refashioned to involve a core of staff doing more in-depth research and/or database development.** Other areas, such as computer-assisted translation and work on making the document-tracking systems compatible among the duty stations, seem to go on with little progress reported from biennium to biennium.

Workload and staffing requirements

I.48 Estimated regular budget requirements for posts and other staff costs for 2006-2007 amount to $476,278,400 before recosting, a decrease of $11,005,100, or 2.3 per cent, as compared with the appropriation of $487,283,500 for 2004-2005. The estimates include a decrease of $8,703,000 under staff costs, owing in large measure to reduced requirements for temporary assistance for meetings as the result of streamlined workflow processes, the implementation of measures aimed at consolidating reports and enforcing page limits and increased reliance on contractual and off-site translation.

I.49 The Advisory Committee recalls once again General Assembly resolution 57/283 B, in which the Assembly requested the Secretary-General to develop methods and indicators for assessing the performance of conference services from a full-system standpoint, recognized the need to develop or update existing workload standards and invited the Secretary-General to further develop the performance indicators in order to evaluate the functions performed by the language services. In order to allow sufficient time for the Secretariat to prepare a report on these matters, the Committee had recommended that it be submitted to the Assembly at its fifty-ninth session, in time for the results to be used in formulating the proposed programme budget for 2006-2007 (see A/58/7, para. I.59). The Committee notes from table 2.46 of the budget that the decision has been made to postpone completion of the report once again, with the reasoning that "at a time when so much in the Department is in flux, with work processes and organizational relationships being re-engineered, it would be untimely to revise the existing workload standards in the context of the preparations for the programme budget for the biennium 2006-2007". It is further stated that a revision of the workload standards, should it be warranted, would not have a significant impact on the level of permanent staffing, which "traditionally has been deliberately set below the projected workload".

I.50 **The Advisory Committee finds this response disappointing, especially given the further request by the General Assembly at its fifty-ninth session that the Secretary-General pursue the study of workload standards and performance measurement, in both qualitative and quantitative terms, with a view to submitting to the Assembly a proposal for a comprehensive methodology for performance measurement and management from a full-system perspective (resolution 59/265, sect. II.B, para. 10). It seems to the Committee, for example, that the "optimal mix" of various modes of translation, which is listed as an indicator of achievement under subprogramme 3, Documentation services, will be difficult to determine in the absence of updated workload standards. Accordingly, the Committee believes that the tasks requested by the Assembly should be undertaken forthwith and reported to the Assembly as soon as possible.**

I.51 With regard to workload-sharing among duty stations, the Advisory Committee was informed that this was done almost exclusively for interpretation, as the workload in translation and editing in each of the duty stations was such that it did not permit the release of staff to fill in gaps at other duty stations. Upon request the Committee was provided with details of workload-sharing in the area of interpretation (see table I.7). **The Committee welcomes these efforts and encourages the Secretariat to continue to explore the possibilities for sharing workload among the duty stations in areas other than interpretation.**

Table I.7

Workload-sharing for interpretation at New York, Geneva, Vienna and Nairobi

		Interpreter workdays	
Requesting office	*Releasing office*	*2004*	*2005*[a]
New York	Geneva	169	83
	Vienna	75	8
	Nairobi	225	52
	Bangkok	19	—
	Rome	5	—
Geneva	New York	105	10
	Vienna	115	—
	Nairobi	—	—
	European Union	19	—

		Interpreter workdays	
Requesting office	*Releasing office*	*2004*	*2005*[a]
Vienna	New York	—	—
	Geneva	6	—
	Nairobi	—	—
Nairobi	New York	47	30
	Geneva	10	45
	Vienna	—	5
	International Criminal Tribunal for Rwanda	—	43
	Economic and Social Commission for Asia and the Pacific	25	44
	Food and Agriculture Organization of the United Nations	—	6
	Organization for the Prohibition of Chemical Weapons	—	5
United Nations Office in Burundi	Nairobi	107	54
Economic and Social Commission for Asia and the Pacific	Nairobi	—	13
Economic Commission for Africa	Nairobi	29	21

[a] 1 January-31 May.

I.52 The Advisory Committee notes from table 2.9 of the proposed programme budget that the estimated recruitment and placement time for 2004-2005 is 200 days and the target for 2006-2007 is 150 days. Those figures represent a significantly shorter recruitment and placement period than that indicated for other parts of the Secretariat. Upon enquiry as to the reasons, the Committee was informed that once a candidate had passed the competitive examinations for translators, interpreters or editors, he or she is placed on a roster and can be recruited very quickly. The Committee notes, however, that the time-consuming tasks of writing the examinations, grading papers and conducting oral examinations do not figure into the recruitment time line.

I.53 The Advisory Committee notes with concern from the additional information provided to it that the projected number of retirements in the Department for General Assembly and Conference Management in 2006-2007 are the highest in the Secretariat, at 175 (68 in the Professional category and above and 107 General Service staff). **The Committee welcomes the emphasis placed by the Department on succession planning, as described in table 2.46 of the proposed programme budget.** It has been pointed out to the Committee that vacancies relating to retirements can be posted well ahead of time. In specialized areas, such as translation, interpretation and editing, however, posts often become vacant because the incumbent has been promoted, and the lower-level post can be advertised only once the incumbent has been selected for the new post. **Since this phenomenon is fairly predictable, the Committee recommends that, in such exceptional cases, the Department for General Assembly and Conference Management work out a**

procedure with the Office of Human Resources Management whereby posts that are likely to become vacant are advertised ahead of time, with the proviso that they will be filled if and when they become vacant.

I.54 The Advisory Committee notes from the report of the Office of Internal Oversight Services on the availability in local labour markets of the skills for which international recruitment for the General Service category takes place (A/59/388) that the average additional common staff costs associated with internationally recruited General Service staff are estimated at $1,268.50 per staff member per month. In the same report, the Office noted that some 89 General Service staff members in the text-processing units, who are currently entitled to international benefits, were due to retire by 2015; if those staff members were replaced by locally recruited staff, the accumulated savings would amount to approximately $8.1 million at 2004-2005 rates over the next 10 years. Upon enquiry, the Committee was informed that the Department was actively endeavouring to identify local personnel with the requisite skills for the text-processing services and that progress in that regard would be reported to the General Assembly at its sixtieth session.

Costing of conference services

I.55 The Advisory Committee enquired as to progress achieved in the development of a cost-accounting system for conference services. It was informed that the Department for General Assembly and Conference Management did not intend to pursue any cost-accounting mechanisms on its own in view of the fact that a feasibility study was to be undertaken by the Office of Programme Planning, Budget and Accounts on the scope of requirements for developing improved tools for identifying the cost of activities and outputs (see also chap. I, para. 23, above; General Assembly resolution 59/275 and decision 59/549; and A/C.5/59/13). The Department does have, however, a conference costing programme in place for meetings and documentation services, which is currently used to calculate the cost of additions to the calendar of conferences. The programme has some drawbacks in that it does not capture all the cost elements involved.

Comments on subprogrammes

I.56 **The Advisory Committee welcomes the standardization of subprogrammes across duty stations, as it had recommended previously (see A/58/7, para. I.75). The Committee reiterates its assertion, however, that publishing should be combined with other services dealing with the processing and production of documents rather than with interpretation (ibid., para. I.76).** The Committee understands, as indicated in table 2.46 of the proposed programme budget, that the current presentation is consistent with subprogramme 4 of programme 1 of the biennial programme plan for the period 2006-2007. **It therefore recommends that consideration be given to reorganization of the subprogrammes in the context of the biennial programme plan for 2008-2009.**

Planning, development and coordination of conference services

I.57 The Advisory Committee notes that the post requirements under this subprogramme in New York reflect an internal reorganization of the meeting coordination functions with a view to strengthening the planning, programming, monitoring and servicing capacity of the Central Planning and Coordination Service. The reorganization will result in a net increase of 25 posts in the Service, as follows: (a) the redeployment of 26 posts (1 P-3, 4 General Service (Principal level) and 21 General Service (Other level)) to the Service from the Meetings and Publishing Division (subprogramme 4); and (b) the abolition of one General Service (Other level) post.

I.58 This subprogramme is also being strengthened in Vienna through the redeployment of seven posts from the translation and publishing sections as follows: (a) one P-3 and four General Service (Other level) posts to consolidate the information technology activities of the Conference Management Service under the Office of the Chief; and (b) two General Service (Other level) posts to consolidate and strengthen the documents control functions under the Planning, Coordination and Meetings Section.

Documentation services

I.59 The Advisory Committee was informed that two pilot projects had been undertaken relating to possibilities for greater reliance on off-site and contractual translation and editing: one of them, begun in February 2005, involved off-site work in the translation and editorial services in order to avoid travel and per diem costs. Eight revisers and editors participated in the pilot project. The Department for General Assembly and Conference Management reported that the "cost avoidance" of contracting non-local freelancers to work off-site rather than on-site was approximately 40 per cent. The other pilot project was to translate and issue all the summary records from the main part of the fifty-ninth session of the General Assembly in all six languages by 31 March 2005, using contractual translators for two thirds of the workload. The outcome was successful. Upon request, the Committee was provided with a breakdown of average global costs per page for different modes of translation at all duty stations (see table I.8).

Table I.8
Average global cost per page for translation
(United States dollars)

	2004-2005	*2006-2007*
In-house	164	166
Contractual[a]	54	58
Off-site[a] (New York and Vienna)	118	121

[a] Costs do not include processes essential to translation, such as editing and referencing or shipping charges and administrative overhead.

I.60 **The Advisory Committee welcomes the apparent success of these cost-saving measures and encourages the Secretariat to continue to explore the feasibility of using them more widely; however, a number of concerns occur to the Committee in relation to the increased emphasis on contractual translation and editing. The first is the necessity to have sufficient established capacity to handle urgent or sensitive parliamentary documentation and ensure quality control. With regard to the latter, it has been reported to the Committee that**

documentation handled by contractual translators and editors must be checked to some degree by United Nations translators and editors, thus diverting some staff resources from actual translating and editing to revision tasks. Furthermore, the Committee was informed that off-site translation resulted in increased workload for the programming officers and front offices of the services in question, which would need some strengthening were the off-site model to be expanded. The related costs have not been factored into the budget for contractual and off-site translation and editing. The Committee believes these factors must be costed and figured into the calculation of cost avoidance.

I.61 **Second, the Committee cautions that it must be kept in mind that the United Nations requires the most competent of translators and that it therefore needs to stay competitive in the market for translators. The Committee intends to revert to this matter in the context of its consideration of the report of the Secretary-General on reform of the Department for General Assembly and Conference Management (A/60/112; see para. I.33 above).**

I.62 Upon enquiry, the Advisory Committee was informed that a total of $12,821,700 had been allocated to contractual translation in the estimates for 2006-2007, including an additional provision $3,393,100. The Committee was also informed that the increased emphasis on contractual translation would not have an impact on established staffing, which, as noted in table 2.46 of the budget, traditionally has been set below the projected workload; rather, it would reduce requirements for temporary assistance for meetings and general temporary assistance (see also para. I.31 above). With regard to off-site translation, as it is still in the pilot project phase, no specific amount has been earmarked. Off-site translators would be recruited on short-term contracts funded under temporary assistance for meetings.

I.63 The Advisory Committee notes that a number of departments are including requirements, under contractual services or consultants, for external translation of materials that should ordinarily be handled by the Department for General Assembly and Conference Management. This is ostensibly due to the fact that the Department is so overburdened with parliamentary documentation that some publications and other materials receive low-priority treatment. Departments have therefore hired their own external translators.

I.64 **In the view of the Advisory Committee, all formal translation of publications and documents emanating from the United Nations Secretariat into official languages of the Organization should be handled centrally by the Department for General Assembly and Conference Management. If it is perceived that translation is not possible internally within a reasonable time frame, then there should be recourse to contractual translation through the Contractual Translation Unit of the Department. The advantages of central management of contractual translation include economies of scale relating to the administrative overhead costs, a favourable bargaining position in contract negotiations with external translators and, perhaps most importantly, assurance of quality control.**

I.65 **This may mean that the Contractual Translation Unit will need to be strengthened. The Committee recommends that consideration be given to redeploying staff resources to the Unit from other areas. Thought will also have to be given to how to handle the costs of external translation between the**

requesting department and the Department for General Assembly and Conference Management.

I.66 The Advisory Committee enquired as to why the editing function was being strengthened in Geneva through redeployment even though the workload indicators provided to it showed an anticipated reduction. The Committee was informed that the reason was to address the editing backlog. It was also informed that the planned strengthening of the reference function through redeployment was necessary as a direct result of the recruitment freeze for General Service staff (for a detailed discussion of this matter, see chap. I above).

Meetings and publishing services

I.67 The Advisory Committee was informed that the United Nations common system agreement with the International Association of Conference Interpreters, which governs the conditions of employment, remuneration, working conditions, staffing strengths and workload of freelance interpreters, had expired on 30 April 2005. At the time of the Committee's hearings, negotiations on a new agreement were under way and were expected to be completed shortly. Among other things, the new agreement would address the establishment of the European rate of compensation, in addition to the current Headquarters and world rates. Under the previous agreement, freelance interpreters with a professional domicile in Europe were paid on the basis of the established Headquarters or world rates, but had the option of being paid in either euros or United States dollars. Under the new agreement, the European rate would be paid in euros and would more closely address the conditions of service in the European region.

I.68 The Advisory Committee notes that one of the outputs of subprogramme 4 in Geneva is the introduction of more formal quality-control procedures for freelance interpreters, regular review and update of the freelance roster and closer cooperation with universities to increase the number of new qualified interpreters (see A/60/6 (Sect. 2), para. 2.53 (a)). **The Committee believes that there should be a systematic Department-wide effort in this regard.**

I.69 **The Advisory Committee welcomes the effort made by the Department to use interpreters flexibly.** It was informed, for example, that the United Nations Office at Vienna had only one team of interpreters; when additional capacity was needed, interpreters were recruited locally. It was reported to the Committee that this had never posed a problem, as a pool of interpreters was available in Vienna. In addition, the Committee notes that the United Nations Office at Nairobi has, on the recommendation of the Committee, expanded its cooperation in this regard with other United Nations entities in the region, such as the Economic Commission for Africa and the United Nations Office in Burundi (see table I.7 above). The Committee was also informed that the job descriptions of interpreters in Nairobi included a stipulation that they would be required to do translation or database development when necessary. **The Committee trusts that these innovations will be extended to other duty stations as far as is practicable.**

Part II
Political affairs

Section 3
Political affairs

Proposal submitted by the Secretary-General	$429,369,700*
Revised appropriation for 2004-2005	$427,627,200
Projected extrabudgetary resources	$11,946,100

A summary of the proposals of the Secretary-General for regular budget posts by budget section is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade level is contained in annex I to the present report.

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* At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

Recommendations on posts

II.1 The establishment of two posts (1 P-4 and 1 P-3) is requested for the Electoral Assistance Division under subprogramme 2 (A/60/6 (Sect. 3), para. 3.34). The Advisory Committee was informed that the request for those posts sought not only to address a heavier workload, but also the need for electoral officers with varied regional experience and skills, as well as the demand for greater coordination of the work of the Division with other entities of the United Nations system. However, of the 10 authorized Professional posts, 4 posts (40 per cent) were vacant at the time (1 D-1 and 3 P-4) making it difficult if not impossible to assess the staff needed to address the workload. **The Committee recognizes the importance of the work performed by the Electoral Assistance Division, the high demand for its services, the time-sensitive nature of those services and its need for adequate resources to carry out its functions. Upon enquiry, the Committee was informed that, as of June 2005, a management review of the Electoral Services Division was being carried out by the Office of Internal Oversight Services. The Committee is of the opinion that the review should be finalized as soon as possible in order to determine the managerial and resource improvements or changes required. Pending the results of that review, the Committee recommends that no action be taken on these requests — information on the results of the review should be provided to the Fifth Committee at the main part of the sixtieth session of the General Assembly. In the meantime, the Committee expects that vacant posts will be filled expeditiously.**

II.2 A total of six posts (1 P-3, 1 P-2, and 4 General Service (Other level)) were abolished in December 2004 under subprogramme 3, Security Council affairs, resulting from the establishment of the Counter-Terrorism Committee Executive Directorate (see ibid., para. 3.38, and para. II.11 below).

Recommendations on non-post resources

II.3 An amount of $127,700 is proposed under executive direction and management to provide for consultancy services for studies, research and analysis concerning early warning and conflict prevention. The increase of $19,000 compared with 2004-2005 relates to the services of an expert to evaluate the functioning of the secretariat of the Executive Committee on Peace and Security. The Committee recalls that the Executive Committee was established in 1997 as part of the Secretary-General's reform initiatives approved in General Assembly resolution 56/241; its key functions are indicated in paragraph 3.24 of the budget. However, the Advisory Committee was informed that, given the challenges specific to servicing a high-level committee and the problems encountered, it was considered that a review would be advisable taking into account lessons learned and best practices regarding structuring and supporting senior decision-making, particularly in view of the establishment by the Secretary-General of the Policy Committee. Such a review would also help to determine how the Executive Committee on Peace and Security secretariat might evolve, since many of its functions will not be assumed by the Policy Committee, as well as the best interaction between the two secretariats. **The Advisory Committee questions the feasibility of analysing the functioning of just one executive committee; it may in fact be more productive to look again at the whole executive committee structure. In any case, the Committee is of the opinion that the expertise required to carry out this type of review should be available in-house and therefore recommends against provision of outside consultancy services for this purpose.**

Other comments and recommendations

Cooperation and coordination with other entities of the United Nations

II.4 The Advisory Committee has previously referred to the need to enhance timely coordination with other offices and entities of the United Nations, such as the Department of Peacekeeping Operations, UNDP or the Centre for Crime Prevention and for a clear delineation of responsibilities between the Department of Political Affairs and the Department of Peacekeeping Operations.

II.5 Upon enquiry, the Advisory Committee was provided with information regarding the current number of special political missions and which department administers them (see table below).

Special political missions carried out in 2004-2005

Mission	*Amount (thousands of United States dollars)*	*Administered by*
Appropriations		
Special political missions emanating from the General Assembly		
Central American peace process	378.3	Department of Political Affairs
Special Envoy of the Secretary-General for Myanmar	492.1	Idem.
United Nations Verification Mission in Guatemala	7 007.2	Department of Peacekeeping Operations[a]
Special political missions emanating from the Security Council and other political initiatives relating to the maintenance of international peace and security		
United Nations Peacebuilding Support Office in Guinea-Bissau	5 392.5	Department of Political Affairs[b]
Special Adviser to the Secretary-General on Africa	212.6	Idem.
Office of the Special Representative of the Secretary-General for the Great Lakes region of Africa	3 758.0	Idem.[b]
Special Adviser of the Secretary-General on Cyprus	1 695.8	Idem.
Analytical Support and Sanctions Monitoring Team established pursuant to Security Council resolution 1526 (2004) concerning Al-Qaida and the Taliban and associated individuals and entities	5 867.1	Idem.
Monitoring Group on Somalia	2 629.0	Idem.
Panel of Experts on Liberia	2 117.1	Idem.
Group of Experts on the Democratic Republic of the Congo	1 912.5	Idem.
Special Adviser on the prevention of genocide	1 209.9	Idem.
Counter-Terrorism Committee Executive Directorate	6 085.0	Counter-Terrorism Committee Executive Directorate
United Nations Assistance Mission in Afghanistan	121 681.4	Department of Peacekeeping Operations
United Nations Assistance Mission for Iraq	176 576.0	Idem.
United Nations Observer Mission in Bougainville	2 307.9	Idem.
United Nations Tajikistan Office of Peacebuilding	3 804.7	Idem.
Personal Representative of the Secretary-General for Southern Lebanon	1 694.3	Idem.
United Nations support to the Cameroon-Nigeria Mixed Commission	9 357.5	Idem.
United Nations Peacebuilding Support Office in the Central African Republic	10 472.2	Idem.
United Nations Political Office for Somalia	6 812.8	Idem.
Special Representative of the Secretary-General for West Africa	4 914.7	Idem.
Support to the Security Council Committee established by Council resolution 1540 (2004) on non-proliferation of the weapons of mass destruction	1 816.7	Department for Disarmament Affairs
United Nations advance team in the Sudan	49 362.4	Department of Peacekeeping Operations[c]
Representative of the Secretary-General to the International Advisory and Monitoring Board	418.7	Department of Management

Mission	*Amount (thousands of United States dollars)*	*Administered by*
United Nations Mission in Côte d'Ivoire	7 102.7	Department of Peacekeeping Operations[c]
United Nations Office in Burundi	5 353.2	Idem.[c]
Special Court for Sierra Leone[d]	20 000.0	Special Court for Sierra Leone
Subtotal	**460 432.3**	
Commitments approved by the Advisory Committee		
International independent investigation commission in Lebanon	8 866.2	Department of Peacekeeping Operations
United Nations Office in Timor-Leste	6 399.3	Idem.
Subtotal	**15 265.5**	
Total	**475 697.8**	

[a] Completed.

[b] As from 1 January 2005, Department of Peacekeeping Operations.

[c] Transformed into a peacekeeping operation.

[d] In addition to the appropriation of $20 million approved by the General Assembly in its resolution 59/294 for the Court, the Assembly authorized the Secretary-General, as an exceptional measure, to enter into commitments in an amount not to exceed $13 million to supplement the financial resources of the Court.

II.6 The Advisory Committee has noted and encouraged the changes that have occurred in the structure of the relationship between the Department of Political Affairs and the Department of Peacekeeping Operations in the context of the Secretary-General's reform proposals, which recognizes the comparative strengths of both departments (A/58/7, para. II.9). According to the Secretariat, the two departments also closely cooperate and interact at the desk officer level regularly and in the context of interdepartmental task forces.

II.7 **The Advisory Committee is of the opinion that more needs to be done to ensure an effective working relationship between the Department of Political Affairs and the Department of Peacekeeping Operations and that a description of how the two departments coordinate should be included in the budget document. The Committee has indicated the urgent need to revisit the issue of coordination and cooperation between the two departments to ensure complementarity and avoid potential duplication and overlap and to consider a possible redistribution of resources to bring them in line with changes in activities and priorities, particular attention being paid to the area of political and strategic analysis (see A/59/784, para. 36, and A/58/7, para. II.9).**

Electoral assistance

II.8 The Advisory Committee welcomes the information provided in tabular form in annex I to section 3 of the budget regarding the workload related to electoral assistance, as requested by the Committee (A/58/7, para. II.11). The Committee was further informed that as at 31 May 2005, 29 new requests had been received during the biennium 2004-2005, in addition to the 27 carried over from the previous biennium, of which 6 were outside of the acceptance parameters (4-6 months ahead of the planned electoral process); 11 requests had been completed as at that date. In addition, the provision of electoral assistance as a component of peacekeeping operations and peacebuilding missions has increased, and the Electoral Assistance Division has recently worked or is currently working with such United Nations missions as those in Afghanistan, Burundi, Côte d'Ivoire, the Democratic Republic of the Congo, Haiti, Iraq, Liberia and Sierra Leone, and with peacebuilding offices in Guinea-Bissau, the Central African Republic, Tajikistan and Palestine.

II.9 Additional resources amounting to $158,200 are proposed under contractual services for the conversion of paper-based data into a web-based application in order to allow electronic updating and maintenance and for the translation of documents for Member States of election-related technical material; this represents an entirely new provision. Resource requirements of $127,800, unchanged from 2004-2005 and corresponding to seven work-months, are proposed under consultants and experts to provide for specialized technical expertise, not available in-house, for the drafting and editing of technical papers, project formulation and the preparation of electoral legislation analysis and reform papers.

Office of the United Nations Special Coordinator for the Middle East Peace Process

II.10 The resources proposed for the Office of the United Nations Special Coordinator for the Middle East Peace Process amount to $13,137,900 (before recosting), an increase of $373,900, or 2.9 per cent over the resources appropriated for 2004-2005. The net increase is due mostly to the delayed impact of the eight new posts approved for 2004-2005, offset in large part by a decrease under furniture and equipment ($222,800) owing to the removal of non-recurrent costs provided for the acquisition of vehicles during 2004-2005.

Security Council affairs

II.11 Following the establishment of the Counter-Terrorism Committee Executive Directorate, the resources proposed for 2006-2007 under subprogramme 3, Security Council affairs, reflect a consequential decrease of $3,515,000 relating to the abolition of six posts ($961,200) and related non-post items ($2,553,800). As can be seen from the table above, the estimate for the Counter-Terrorism Committee Executive Directorate for 2004-2005 is $6.1 million. The Committee recalls that of the eight posts allocated to the Counter-Terrorism Committee, six were abolished (1 P-4, 1 P-2 and 4 General Service), while two posts (1 P-5 and 1 General Service) were retained in the Security Council Affairs Division to provide technical services to the Counter-Terrorism Committee, a subsidiary organ of the Council (see A/59/534/Add.1, para. 151).

Special political missions

II.12 The total provision under special political missions for 2004-2005, as at 1 July 2005, amounted to $475,697,800 (see table above). The Advisory Committee points out that any additional requirements will continue to be treated in accordance with the relevant provisions of annex I, paragraph 11, of General Assembly resolution 41/213. Moreover, the Committee will make relevant comments and recommendations in the context of the report to be submitted by the Secretary-General during the main part of the sixtieth session of the General Assembly on the estimates in respect of special political missions, good offices and other political initiatives authorized by the Assembly and/or the Security Council. **In chapter I**

above, the Committee has made a number of comments with regard to the methodology for analysing the provision for special political missions.

Section 4
Disarmament

Proposal submitted by the Secretary-General	$19,868,400*
Revised appropriation for 2004-2005	$18,739,900
Projected extrabudgetary resources	$7,309,500

A summary of the Secretary-General's proposals for regular budget posts by budget section is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade level is contained in annex I to the present report.

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* At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

Recommendations on posts

II.13 The establishment of one P-5 post for the Conventional Arms Branch is proposed under subprogramme 3 (A/60/6 (Sect. 4), para. 4.35). The incumbent will be responsible for the operational aspects of practical disarmament and for issues related to conventional weapons, activities related to fact-finding missions carried out at the request of Member States to assess the proliferation of small arms and light weapons, activities related to programmes for the collection and destruction of weapons, the provision of technical assistance to Member States in response to growing demand for such assistance, and guiding and supervising the practical implementation of all activities related to conventional arms. **The Advisory Committee recommends acceptance of this proposal.**

II.14 One General Service post is proposed for abolition under subprogramme 1 in the Conference on Disarmament secretariat and Conference Support Branch in Geneva (ibid., para. 4.26). The Advisory Committee was informed that the reason for the proposed abolition was a reduction in workload related to maintaining and updating reference materials owing to improvements in information technology.

II.15 The Advisory Committee requested information regarding the vacancy situation for the Department for Disarmament Affairs. As at 31 March, of the 55 authorized posts 5 were vacant. Three of the vacancies resulted from temporary assignments (1 D-1, 1 P-2) or leave without pay (1 P-5) and have since been filled; the other two posts (P-5) were advertised; one selected candidate declined and another rostered candidate will take up the post shortly, and the selection process is ongoing for the second post. The Committee was informed, however, that the main hindrance to a more expeditious filling of vacancies was the Galaxy system, which made the process of filling a vacancy extremely cumbersome and protracted, averaging six to nine months. **The Committee has made comments in this regard in chapter I above.**

Recommendations on non-post resources

II.16 Non-post resources under subprogramme 5, Regional disarmament, decrease by $85,800 from $683,000 in 2004-2005 to $597,200 for 2006-2007 in view of the discontinuation of one-time requirements approved in 2004 for strengthening security arrangements at the regional disarmament centres. The Advisory Committee notes, however, from information provided to it, that the request includes an amount of $26,900 for consultants and experts to follow up on the Department's gender action plan. The Committee is of the opinion that such expertise should be available in-house; accordingly, it recommends a reduction of $26,900 (before recosting).

Other comments and recommendations

II.17 In paragraph II.21 of its first report on the proposed programme budget for the period 2004-2005,[4] the Advisory Committee requested that an assessment of the situation of the regional centre for Asia and the Pacific be carried out for submission to the General Assembly at its fifty-ninth session with a view to resolving the issue of the relocation of the regional centre, which had been operating out of New York instead of Kathmandu since 1987. The Committee was informed that the assessment had not yet been finalized and that other elements were being taken into consideration, such as the security issue related to separate United Nations offices in different regions. **The Committee reiterates the importance of resolving the issue of the regional centre in an expeditious manner.**

II.18 The Advisory Committee had an exchange with the Secretariat regarding cooperation between the Department for Disarmament Affairs and the Department of Peacekeeping Operations in which the Committee was informed that the Department for Disarmament Affairs cooperated closely with the Department of Peacekeeping Operations during the planning and implementation phase of peacekeeping missions, in particular where there is a disarmament, demobilization and reintegration component, by providing recommendations for the formulation of plans or technical advice.

II.19 The Advisory Committee notes that a total of 118 outputs will be discontinued, as identified in the annex to Section 4 of the budget. The Committee welcomes the information provided with regard to publications and notes that non-recurrent and recurrent publications are to be reduced from 101 in 2004-2005 to 73 in 2006-2007. The Committee was informed that all publications are published internally, the only provision thus being an amount of $5,600 for contractual services included under programme support for contingencies. The regional publications are funded through extrabudgetary resources.

Section 5
Peacekeeping operations

Proposal submitted by the Secretary-General	$97,300,200*
Revised appropriation for 2004-2005	$92,859,800
Projected extrabudgetary resources	$419,749,200

A summary of the Secretary-General's proposals for regular budget posts by budget section is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade level is contained in annex I to the present report.

* At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

Recommendations on posts

II.20 No new regular budget posts are proposed for 2006-2007; the total of 381 will be maintained. The full staffing complement of the Department of Peacekeeping Operations proposed for 2006-2007 is as follows:

Regular budget	381
Support account	568
Voluntary trust fund for assistance in mine action	21
Special account in support of extrabudgetary activities	2
Total	**972**

Recommendations on non-post resources

II.21 The Advisory Committee notes that several items under non-post resources are clearly linked to regular budget posts and that those expenditures are charged in a transparent manner, such as overtime, general temporary assistance and furniture and equipment. However, the distinction between regular budget resources and support account resources is somewhat more blurred as regards other non-post items such as travel. In view of the uniqueness and special character of the financial activities of the Department of Peacekeeping Operations, the Department exercises its own judgement in charging these expenses. The Committee was informed that travel to peacekeeping missions was charged to the specific mission and that, for travel related to seminars and conferences, the rule was to get the requesting party to pay. **The Committee encourages the Department of Peacekeeping Operations to strengthen its financial controls and to develop guidelines to differentiate the treatment of regular budget and support account resources in this regard.**

United Nations Truce Supervision Organization

II.22 Resources proposed for the United Nations Truce Supervision Organization (UNTSO) amount to $58,797,500 (before recosting), a net decrease of $17,100. The

Advisory Committee notes that support and assistance are provided to the United Nations Disengagement Observer Force (UNDOF) and the United Nations Interim Force in Lebanon (UNIFIL) in the implementation of their mandates (A/60/6 (Sect. 5), paras. 5.47 and 5.51). **The Committee continues to encourage increased collaboration among UNIFIL, UNDOF and UNTSO in a way that optimizes the use of support resources provided to the three missions, in particular those related to equipment and supplies.**

II.23 The $1,345,200 increase under posts for UNTSO includes the delayed impact of the 17 security-related posts approved during 2004-2005. A medical unit is proposed to be established through the redeployment of two Field Service posts from the Information Technology Unit to provide immediate medical services for mission personnel and their dependants within the mission area — this results in a reduction of $21,100 under grants and contributions for joint medical services that are no longer needed. **The Advisory Committee recommends approval of this proposal and trusts that those redeployments will not compromise information technology capacity and thereby lead to future additional requests for posts related to information technology. The Committee also encourages the gradual replacement of international staff with national staff in peacekeeping operations, wherever feasible and cost-effective, as indicated in its general report on peacekeeping operations (A/59/736, para. 58).**

II.24 The decrease of $1,362,300 under non-post resources reflects mostly the removal of one-time costs for security-related projects approved by the General Assembly in its resolution 58/295. The Advisory Committee questioned the resources for other staff costs, particularly as regards overtime ($117,800), which includes an increase of $51,200. In this connection, the Committee was informed that the charges, covering overtime for local bus drivers and night differential for local security guards, were based on expenditure patterns.

II.25 The Advisory Committee questioned an increase of $19,000 in the provision for communications ($650,100) under general operating expenses resulting from the increased number of phones in operation and mobile and fixed INMARSAT satellite units. The Committee was informed that, while recognizing the higher costs associated with INMARSAT, the equipment was required for backup purposes when other means of communication failed. **Given its high cost, INMARSAT equipment should be used as sparingly as possible.** The provision for miscellaneous services ($445,900) also includes an increase of $23,800, which reflects the UNTSO share of the cost of security services in Damascus and medical examination costs for exiting military observers that were not previously budgeted.

United Nations Military Observer Group in India and Pakistan

II.26 Requirements for the United Nations Military Observer Group in India and Pakistan (UNMOGIP) of $14,794,100 (before recosting) reflect a net decrease of $1,967,600 compared to 2004-2005. The increase of $241,600 under posts relates to the delayed impact of the four security posts approved for 2004-2005. The net decrease under non-post resources is due mostly to reduced requirements under general operating expenses and furniture and equipment, reflecting reductions under communications, maintenance of transport equipment and freight and related charges, as well as removal of the one-time costs for armoured vehicles approved as part of the security arrangements in General Assembly resolution 58/295. It is slightly offset by an increase of $189,400 in the provision for supplies and materials ($1,073,400) relating to the higher cost of petrol, oil and lubricants and the introduction of the armoured vehicles, which consume more fuel than regular vehicles.

Other comments and recommendations

II.27 The Advisory Committee notes that the regular budget resources proposed under section 5 for the Department of Peacekeeping Operations ($16,601,300 after recosting), account for no more than 3 per cent of the total resources shown for this section ($517,049,400). The Committee also notes that subprogrammes 4 and 5, relating to civilian police and mine action coordination respectively, are both fully funded from extrabudgetary resources, including the support account. The Committee examined the resources proposed under the support account for the period from 1 July 2005 to 30 June 2006 and made its comments and observations in that regard in its related report (A/59/784). The Committee also made extensive comments in connection with the subprogrammes/organizational units covered under section 5 in the context of the estimates for the support account on such issues as results-based-budgeting techniques and related elements, training, information technology and so on (see ibid. and A/59/736).

II.28 **The Advisory Committee is of the opinion, however, that efforts should be made to improve the presentation of the budget proposals for UNTSO and UNMOGIP, where the outputs presented are too general. Meaningful and concrete information should be provided in order to better disclose the results. An effort should also be made to improve the connection between the performance measures and the indicators of achievement within the logical framework for the rest of the proposed budget for section 5.**

Section 6
Peaceful uses of outer space

Proposal submitted by the Secretary-General	$6,313,500*
Revised appropriation for 2004-2005	$5,903,900
Projected extrabudgetary resources	$704,600

A summary of the Secretary-General's proposals for regular budget posts by budget section is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade level is contained in annex I to the present report.

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* At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

II.29 The Advisory Committee recalls that in paragraph II.39 of its first report on the proposed programme budget for 2004-2005[4] it recommended that the number, frequency, venues, and duration of the meetings of intergovernmental and expert bodies, as well as committees and subcommittees, related to this programme be reviewed from time to time. The Committee was informed that the issue had been raised but that there had been no follow-up. **The Committee recommends that this issue be pursued more actively with a view towards better rationalization of resources for this purpose.**

II.30 The Advisory Committee also enquired as to the level of extrabudgetary resources and was informed that there were no pledging conferences or fund-raising drives, but that extrabudgetary resources were forecast on the basis of firm declarations by donors (Governments, non-governmental organizations and the private sector) for specific purposes such as training courses, workshops, seminars and symposia on specific activities or programmes. The Committee was further informed that from January 2004 to June 2005, the Office had organized and conducted 17 workshops and training courses and that another 8 would be organized and conducted before the end of the year.

II.31 The Advisory Committee notes that 19 publications are estimated for 2006-2007. **The Committee recommends that a review be undertaken to determine whether the publication of the print version could in some cases be scaled back in favour of the electronic version. In addition, greater use should be made of in-house printing, given the existing capacity in Vienna.**

Part III
International justice and law

Section 7
International Court of Justice

Proposal submitted by the Secretary-General	$36,962,300*
Revised appropriation for 2004-2005	$34,936,000

A summary of the proposals of the Secretary-General for regular budget posts is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade level is contained in annex I to the present report.

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* At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

Recommendation on posts

New posts

III.1 The establishment of one P-4 post for the head of the Computerization Division is requested (A/60/6 (Sect. 7), para. 7.13). The Advisory Committee had recommended against this post in its first report on the programme budget for 2004-2005 budget,[4] pending the completion of an independent study on how to modernize the proceedings and workflow processes of the Court requested by the Committee (see paras. III.11-III.15 below). The Computer Service was subsequently transformed into the Computerization Division, and the post was resubmitted for 2006-2007. The consultancy study contains a number of recommendations in that regard. **The Committee emphasizes the need to strengthen the capacity of the Computerization Division for strategizing and planning. The Committee thus supports the establishment of the P-4 post in order to pursue the development of an information technology strategy. However, the Committee recommends that the post be rejustified for the biennium 2008-2009 in the light of progress achieved.**

III.2 The establishment of one P-3 Legal Officer post for the Office of the President of the Court is proposed (ibid., para. 7.13). The Advisory Committee was informed that the Legal Officer would serve as a special assistant to the President of the Court in his dual role as judge and President of the Court. **The Committee recommends approval of the post.**

Conversion

III.3 The conversion of two temporary General Service (Other level) posts to established posts is proposed (ibid., para. 7.13). During the biennium 2004-2005, the Advisory Committee did not recommend the conversion of these two posts for clerical and administrative support functions in the Department of Linguistic Matters and the Department of Press and Information Matters, pending completion of the consultancy study. **The Committee is of the opinion that the**

implementation of the recommendations of the consultancy study would lead to tangible streamlining in the administrative and support services provided by the Registrar's Office and lead to a redeployment of posts.

Recommendations on non-post resources

Other staff costs

III.4 Other staff costs are estimated at $1,796,900 (before recosting) for 2006-2007. The bulk of those resources relates to general temporary assistance, estimated at $152,700, and to temporary assistance for meetings, estimated at $1,554,600. **Although there is a resource reduction of $123,300, the Advisory Committee is of the opinion that modernization of the Court's proceedings and workflow should result in significant additional savings under temporary assistance. Although the Committee is not recommending a reduction at this time, it expects that savings will be reported in the next performance report.**

Travel

III.5 The Advisory Committee notes from the supplementary information provided to it that an amount of $94,800 (before recosting) is proposed for 2006-2007 for the travel of staff of the Registry, representing an increase of $15,300, or 19.2 per cent, compared with the revised appropriation of $79,500 for 2004-2005. **The Committee trusts that the Court will review its travel programme so as to achieve economies and to ensure the most efficient utilization of resources. The Committee recommends a reduction of $15,300 (before recosting).**

Communication costs

III.6 The Advisory Committee notes from the supplementary information provided to it that an amount of $338,800 has been proposed for communication costs, including long-distance telephone calls. The Committee is concerned with the high cost and expects that the Court will make an effort to economize, perhaps by examining the possibility of Internet-based telephone services. Moreover, the Committee expects progress in distinguishing between official and personal calls. **The Committee expects an update on this matter in the budget proposal for the biennium 2008-2009.**

ZyImage

III.7 ZyImage is the Court's principal electronic documentation storage software, which has been utilized by the Court for the past four years. Regrettably, a number of fundamental document management problems have not been addressed and the programme's full utility to the Court appears limited, in particular in view of the fact that the program's only main feature appears to be its searchability. The consultancy study points to a number of serious gaps, for example inadequate system maintenance, lack of protocols and security and access risks. **The Committee was informed that there was no coordination with the Information Technology Services Division of the Secretariat and requests that such support be pursued urgently to ensure that the problems are addressed expeditiously, as well as to develop a new software program, should it be required.**

Cooperation

III.8 The Advisory Committee was informed that informal cooperation existed with other legal bodies, such as the International Tribunal for the Former Yugoslavia. The Court indicated that close cooperation did not exist owing to the confidential nature of its work. **The Committee points out, however, that the work of legal bodies is similar with respect to their technical and administrative requirements, for example regarding staffing, information technology, archiving, document management and information security. The Committee expects the Court's administration to proactively increase cooperation, in particular in view of other legal bodies' lessons-learned experiences.**

Implementation of the recommendations of the Advisory Committee

Remote (off-site) translation

III.9 The Advisory Committee was informed that some effort was made to obtain remote, or off-site, translation services from within the United Nations system. **The Committee believes that those efforts should be intensified and better coordinated and is of the view that the Registry should develop a specific off-site translation plan rather than relying on ad hoc measures. Furthermore, the Registry should consult with other United Nations system entities that utilize off-site translation services to share their knowledge and experience in this area.**

Results-based budgeting and performance appraisal system

III.10 The Advisory Committee notes with satisfaction that results-based budgeting has been instituted in the non-judicial function of the Registry. The Committee commends management for implementing the performance appraisal system (PAS) as an effective management tool encouraging dialogue between supervisors and staff. Management informed the Committee that despite initial resistance, most staff at all levels now viewed the PAS as a positive tool for career planning and development. The Committee encourages the full application of the PAS, including guidelines for the rating of achievement.

Consultancy study

III.11 **As mentioned above, the Advisory Committee requested the Registry of the Court to initiate an independent consultancy study in the biennium 2002-2003 and again in 2004-2005. The request was based on the Committee's perception of a number of weaknesses in the management of the Court's administrative and work processes. The Committee commends the Court for initiating the study but regrets the four-year delay from the Committee's original request in 2001 until the completion of the study in 2005.**

III.12 **The Advisory Committee was informed that the complete results of the study were not available until 5 March 2005, too late for inclusion in the programme budget. The Committee notes, however, that a selective summary of the study's recommendations was nonetheless included in table 7.8 of the budget proposal.**

III.13 The Advisory Committee points out that the summary did not fully reflect the gravity of fundamental deficiencies highlighted by the consultancy study. In particular, the Committee is concerned that the study's overall conclusion revealed the need for urgent improvement in the Court's work processes, including document and information management and processing. For example, staff did not participate in available training opportunities, including secretarial staff who stated that they were not proficient in basic office software. As noted above, archiving was labour-intensive and no information technology expertise had been sought from the Secretariat; the document workflow was hard-copy based; there was no electronic dissemination of documents; documents for outside translators were hand-delivered by messenger instead of utilizing e-mail, encrypted if necessary.

III.14 The Advisory Committee is particularly concerned that, as noted above, these and other matters should have been addressed by management, whose mandate it is to ensure a lean and efficient operation. Although the Registry explained that operational changes could not be developed and implemented owing to a lack of resources, the Committee's interpretation of the study is that adequate resources could have been allocated but were not as a result of outdated business and management practices.

III.15 The Advisory Committee expects that the Registry will expeditiously address all matters highlighted in the study and will utilize this opportunity to modernize its administrative operations and processes in a comprehensive and sustained manner. The Committee looks forward to a presentation of the results for the biennium 2008-2009.

Section 8
Legal affairs

Proposal submitted by the Secretary-General	$43,872,000*
Revised appropriation for 2004-2005	$40,634,000
Projected extrabudgetary resources	$6,992,000

A summary of the proposals of the Secretary-General for regular budget posts by budget section is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade level is contained in annex I to the present report.

Note: As at 1 January 2006, in accordance with General Assembly resolution 59/283 (para. 36), the resources of the United Nations Administrative Tribunal, amounting to $1,593,800 (before recosting), will be transferred from section 8, Legal affairs, to section 1, Overall policymaking, direction and coordination.

* At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

Recommendations on posts

New posts

III.16 The establishment of one P-2 post in the General Legal Division is requested under subprogramme 2 (A/60/6 (Sect. 8), para. 8.35). The proposal for this new post is made pursuant to the recommendation of the Office of Internal Oversight Services. The Advisory Committee recalls that it had recommended the establishment of this post in paragraph III.24 of its first report on the programme budget for 2004-2005.[4] The Committee maintains its recommendation in this respect.

Reclassifications

III.17 One P-3 post of Proofreader is proposed to be downgraded to the P-2 level (A/60/6 (Sect. 8), para. 8.51). **The Advisory Committee has no objection to this reclassification.**

III.18 The upgrading of one P-3 Legal Officer post to the P-4 level is proposed (ibid.). **The Advisory Committee has no objection to this reclassification.**

Recommendations on non-post resources

III.19 With reference to travel, the Advisory Committee notes from the supplementary information provided to it that the amount of $1,163,900 (before recosting) is proposed for 2006-2007, representing an increase of $220,600, or 23.4 per cent, compared to the revised appropriation of $943,300 for 2004-2005. The Committee was informed that travel costs included planned travel of temporary staff for a total duration of four months to support meetings at locations away from Headquarters, namely travel from Vienna to New York to provide substantive and technical advice for a four-week session of the United Nations Commission on International Trade Law (UNCITRAL) during 2006 and 12 one-week sessions of six working groups during 2006-2007. The Committee was also informed that temporary assistance was required for the United Nations Administrative Tribunal twice each year, a heavier workload was expected for one annual Tribunal session in New York and one in Geneva; for the latter, a provision for the travel of temporary staff from New York to Geneva was required.

III.20 With reference to contractual services, the Advisory Committee notes from the supplementary information provided to it that an amount of $1,695,700 (before recosting) is proposed for 2006-2007, representing a decrease of $252,900, or 13 per cent, compared to the revised appropriation of $1,948,600 for 2004-2005. **The Committee commends the Office of Legal Affairs for its effort to avail itself of the Organization's internal printing services, thereby reducing proposed expenditures.**

Other comments and recommendations

III.21 With regard to the International Trade Law Division, the Advisory Committee notes from the supplementary information provided to it that the three Professional posts (1 D-2, 1 P-5 and 1 P-2) approved for the biennium 2004-2005 had not yet been filled but that efforts were under way to do so. **The Advisory Committee regrets the two-year delay and expects that the posts will be filled**

expeditiously. The Committee comments on personnel issues, including the recruitment and placement of staff, in chapter I above.

III.22 The Advisory Committee was informed that as at January 2004 there was a backlog of 91 treaty volumes and that as at 15 June 2005 the backlog had been reduced to 54 volumes. The Committee notes that during the biennium 2004-2005 a target of 23 volumes was projected by the end of 2003. **While the Advisory Committee regrets that the 2003 target could not be met, the Committee encourages a renewed effort to reduce the backlog to minimum manageable levels.**

III.23 With respect to policymaking organs, the Advisory Committee notes that the International Law Commission is focusing on several topics on international public law, such as the responsibility of international organizations and reservations to treaties, and that the Commission intends to submit to the General Assembly draft articles on two specific topics, liability and diplomatic protection. Also, the Office of Legal Affairs is active in servicing meetings of UNCITRAL and provides expertise for the timely production of legal texts. The resources of the United Nations Administrative Tribunal will be transferred to section 1 as at 1 January 2006, which is in accordance with General Assembly resolution 59/283. **The Committee commends the secretariat of the United Nations Administrative Tribunal for developing a global website to provide staff with information resources on the services provided and the role played by the Tribunal.**

Part IV
International cooperation for development

Section 9
Economic and social affairs

Proposal submitted by the Secretary-General	$154,145,300*[†]
Revised appropriation for 2004-2005	$143,027,700
Projected extrabudgetary resources	$114,056,700

A summary of the proposals of the Secretary-General for regular budget posts by budget section is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade level is contained in annex I to the present report.

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* At 2006-2007 rates. Figures in the present text, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

[†] By its resolution 59/277, the General Assembly approved an advance of $1,092,400 for the United Nations International Research and Training Institute for the Advancement of Women for 2005. A reduction of this one-time provision has been applied against grants and contributions in the estimates for 2006-2007.

Recommendations on posts

IV.1 The establishment of one P-3 post is proposed in the Division for Social Policy and Development, under subprogramme 3 (A/60/6 (Sect. 9), para. 9.62). The post is proposed in order to provide additional capacity related to the Ad Hoc Committee on a Comprehensive and Integral International Convention to Promote and Protect the Rights and Dignity of Persons with Disabilities. **The Advisory Committee recognizes the need to enhance the subprogramme's capacity and recommends approval of this post.**

IV.2 The establishment of one P-3 post is proposed in the Division for Social Policy and Development, under subprogramme 3 (ibid.). The post is proposed for the secretariat of the Permanent Forum on Indigenous Issues. The Advisory Committee recalls that, for the 2004-2005 biennium, it recommended approval for a P-2 and a P-3 post for the Secretariat of the Permanent Forum. The Committee also recalls that at that same time, it reiterated the need to clarify the role of the Department of Economic and Social Affairs and the Office of the United Nations High Commissioner for Human Rights with regard to indigenous issues (A/58/7, para. IV.4). In this respect, the Committee notes that the Office of the High Commissioner also has a dedicated coordinator's unit for indigenous peoples and minorities, with a total of nine professional staff funded through regular budget and extrabudgetary resources; in addition, it undertakes activities in connection with the Working Group on Indigenous Populations and its related voluntary trust fund. **The Committee regrets that insufficient information was provided in the documentation submitted to it and during the discussions, on the role of other entities in this respect and regarding the need to establish another post in the secretariat of the Permanent Forum on Indigenous Issues. Therefore, the Committee does not**

recommend approval of the post. The Committee recommends that general temporary assistance continue to be used for this function pending a resolution of any potential duplication or overlap (see paras. IV.11 to IV.14 below).

IV.3 The establishment of one P-5 post is proposed in the Financing for Development Office, under subprogramme 10 (A/60/6 (Sect. 9), para. 9.97). The post is sought to provide additional expertise in taxation matters in support of the Monterrey Consensus, which calls for the strengthening of international tax cooperation. **The Advisory Committee recommends approval of this post.**

IV.4 The abolition of two General Service (Other level) posts is proposed in the Division for Public Administration and Development Management, under subprogramme 8 (ibid., para. 9.87). Abolition of the posts is sought as a result of internal restructuring of the Department that took place during the previous biennium. The functions of the posts were of a secretarial nature. **The Advisory Committee recommends acceptance of the Secretary-General's request.**

IV.5 Proposed redeployments between subprogrammes are described in detail in paragraphs 9.82 and 9.87 in the programme budget proposal (see table IV.1 below).

Table IV.1
Summary of redeployments under section 9

Grade	*From*	*To*
1 P-3	Subprogramme 7. Development Policy and Analysis Division	Subprogramme 10. Financing for Development Office
1 P-2	Subprogramme 10. Financing for Development Office	Subprogramme 7. Development Policy and Analysis Division
1 General Service (Other level)	Subprogramme 8. Division for Public Administration and Development Management	Subprogramme 10. Financing and Development Office
1 General Service (Other level)	Subprogramme 8. Division for Public Administration and Development Management	Programme support, Executive Office

Recommendations on non-post resources

IV.6 Under subprogramme 3, proposed requirements for other staff costs amount to $116,600 (before recosting), which is $6,600 more than the 2004-2005 appropriation of $110,000. The Advisory Committee notes that the estimate of $116,000 includes $110,000 for general temporary assistance. The Committee was informed that the functions for the proposed P-3 posts under subprogramme 3 (see paras. IV.1 and IV.2 above) were being carried out through the use of general temporary assistance, although no commensurate reduction was indicated in the programme budget proposal. **In view of the fact that the Committee's recommending the approval of one P-3 post and that, therefore, general temporary assistance for this function would no longer be required, the Committee recommends that other**

staff costs under subprogramme 3 be reduced by $45,000 (before recosting) in respect of the P-3 post recommended for approval in paragraph IV. 1 above.

IV.7 Requirements for consultants and experts under section 9 amount to $4,377,200 (before recosting), which is $55,100 more than the 2004-2005 appropriation of $4,322,100. The Advisory Committee notes the small increase but points out that extrabudgetary estimates for the same object of expenditure total $2,500,000.

IV.8 The Advisory Committee received detailed information regarding consultants and experts under regular budget resources contracted during the 2002-2003 and 2004-2005 bienniums, indicating a general trend. For the 2002-2003 biennium, the Department issued 208 contracts resulting in 12,075 work days, averaging 58 work days per contract. To date, for the 2004-2005 biennium, the Department issued 170 contracts, resulting in 8,203 work days averaging 48 work days per contract. For both bienniums combined, a total of 378 contracts were issued, resulting in 20,278 work days.

IV.9 Table IV.2 below illustrates a summary of consultancies contracted for the Department of Economic and Social Affairs during the 2002-2003 and 2004-2005 bienniums:

Table IV.2
Summary of consultancies for the Department of Economic and Social Affairs: 2002-2003 and 2004-2005

	Biennium 2002-2003		*Biennium 2004-2005*		*Total*	
Component	*Work days*	*Contracts*	*Work days*	*Contracts*	*Work days*	*Contracts*
Executive Direction and Management and other	645	10	643	20	1 188	30
Subprogramme 1	831	8	1 002	13	1 833	21
Subprogramme 2	1 020	12	198	8	1 218	20
Subprogramme 3	934	15	470	12	1 404	27
Subprogramme 4	2 723	35	1 682	16	4 405	51
Subprogramme 5	495	28	447	19	942	47
Subprogramme 6	1 812	43	1 303	29	3 115	72
Subprogramme 7	367	9	211	11	578	20
Subprogramme 8	1 453	35	1 440	28	2 893	63
Subprogramme 9	1 715	10	169	5	1 884	15
Subprogramme 10	80	3	638	9	718	12
Total	**12 075**	**208**	**8 203**	**170**	**20 278**	**378**

IV.10 **The Advisory Committee points out that a total of 579 regular budget and extrabudgetary posts were available to the Department during the 2004-2005 biennium. In addition, the nature of the Department's work is such that it can be structured and planned well in advance, since it is not crisis or emergency-driven, as are some other offices with comparable staffing levels**

within the United Nations system. The Committee notes that the Office of Internal Oversight Services has undertaken a review of 8 out of 10 subprogrammes and recommends that future operational audit reviews include a correlative analysis between the functions carried out by approved posts and the use of consultants. The Committee stresses once again that all efforts should be made to utilize expertise already available within the Department or within the United Nations system; further comments on the use of consultants are contained in chapter I of the present report.

Other comments and recommendations

IV.11 During the review and discussions of the eight sections (9 through 16) of part IV (International cooperation for development) with representatives of the Secretary-General, it became apparent that, over the years, the Department of Economic and Social Affairs has evolved into a unique knowledge bank and information gathering vehicle that can serve as a resource for the United Nations system. The Statistics Division of the Department of Economic and Social Affairs has specialized expertise in the following areas: demographic statistics, national accounts, international trade statistics, social/gender statistics, industry statistics, energy statistics, environment statistics and statistical classifications.

IV.12 In table IV.3 below, the Advisory Committee points to specific examples of areas of apparent duplication in terms of quantitative and qualitative research and analysis, as well as expertise, among the programmes covered in sections 10 through 16 of part IV.

Table IV.3
Duplication in research, analysis and expertise

Section	*Examples of data and/or expertise already offered by the Department of Economic and Social Affairs*
10. Least developed countries, landlocked developing countries and small island developing States	Expert advisory services to developing countries, small island developing States and countries with economies in transition for capacity-building; support for national strategies for sustainable development, etc. (A/60/6 (Sect. 9), para. 9.67 (c) (i)) Training seminars and/or workshops for and with national policymakers in developing countries, small island developing States and countries with economies in economic transition (A/60/6 (Sect. 9), para. 9.67 (c) (ii))
11. United Nations Support to the New Partnership for Africa's Development	Substantive servicing of meetings of the ad hoc advisory groups on African countries emerging from conflict (A/60/6 (Sect. 9), para. 9.49 (a) (ii) a) Advisory services for the provision of technical assistance to interested developing countries and countries with economies in transition in financial sector development and fiscal management areas (A/60/6 (Sect. 9), para. 9.96 (c) (i))

Section	*Examples of data and/or expertise already offered by the Department of Economic and Social Affairs*
	Maintenance and update of data on public sector ethics and inventory of African governance programme (A/60/6 (Sect. 9), para. 9.86 (b) (iv))
12. Trade and development	Expert group on trade statistics (A/60/6 (Sect. 9), para. 9.71 (a) (v))
	Recurrent trade and development-related publications (e.g. *Yearbook of International Trade Statistics*) (A/60/6 (Sect. 9), para. 9.71 (b) (i))
	Website on international trade in services (A/60/6 (Sect. 9), para. 9.71 (b) (i))
	Standardized statistical metadata exchange, collaboration with the International Monetary Fund (IMF), the Bank for International Settlements (A/60/6 (Sect. 9), para. 9.71 (b) (iii))
13. International Trade Centre UNCTAD/WTO	Refer to section 12
14. Environment	Environment statistics (A/60/6 (Sect. 9), para. 9.71 (a) (ii) b)
	Expert group on environment statistics (A/60/6 (Sect. 9), para. 9.71 (a) (v))
	Recurrent environment-related publications (for example *Environment Statistics (envstats) News and Notes*) (A/60/6 (Sect. 9), para. 9.71 (b) (i))
	Website on environmental accounting and website on environment statistics (A/60/6 (Sect. 9), para. 9.71 (b) (i))
	Module on forests for the Global Environment Outlook (A/60/6 (Sect. 9), para. 9.91 (b) (ii))
15. Human settlements	Website on city groups (A/60/6 (Sect. 9), para. 9.71 (b) (i))
	Housing Statistics Compendium and *Principles and Recommendations for Population and Housing Consensuses*, Rev.1 (A/60/6 (Sect. 9), para. 9.71 (b) (ii))
	Technical report on households, families and living arrangements (A/60/6 (Sect. 9), para. 9.71 (b) (iii))
16. International drug control, crime prevention and criminal justice	Documentation on trafficking in women and girls (A/60/6 (Sect. 9), para. 9.56 (a) (i) b)

IV.13 **The Advisory Committee points out that the wide variety of data available through the Department of Economic and Social Affairs can be utilized to obtain the new statistical information required. For example, a combination of regional housing, environment and trade statistics can be tailored to provide useful information for various sections. The Committee has**

noticed that each organizational entity tends to operate independently instead, creating data and analyses from scratch. The Committee is of the opinion that an integrative data management mechanism/system would maximize use of the Organization's scarce resources and increase the efficiency with which data can be made available for a wide range of purposes. Such an approach would also provide an opportunity for savings on the resources required for publications since it would permit consolidation and rationalization of the publications programme for all entities through collaborative and/or dual-use issues.

IV.14 **The Advisory Committee therefore recommends that the Department initiate a comprehensive review, preferably using in-house services provided by the Office of Internal Oversight Services, to identify quantitative and qualitative data available, tracing that data to actual client needs with a view to bringing about the streamlining of and savings on the programmes contained in part IV of the proposed programme budget.**

IV.15 **On a related matter, the Advisory Committee points out that the identification of a dedicated capacity for internal monitoring and evaluation would be a significant step towards providing day-to-day support to management. Such a capacity would enhance feedback with intergovernmental bodies and also determine the efficiency and effectiveness of measures undertaken as part of the above-mentioned information-sharing and data management centre project.**

IV.16 The Advisory Committee was informed that the estimate for external printing under section 9 for 2006-2007 is $693,400 (before recosting), which is $10,600 below the 2004-2005 appropriation. **While the Committee commends the Department for initiating reductions, it also believes that significantly higher reductions could be made and trusts that greater efforts will be undertaken to plan for the utilization of existing internal printing facilities.**

Section 10
Least developed countries, landlocked developing countries and small island developing States

Proposal submitted by the Secretary-General	$4,998,400*
Revised appropriation for 2004-2005	$4,358,600
Projected extrabudgetary resources	$279,600

A summary of the proposals of the Secretary-General for regular budget posts by budget section is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade level is contained in annex I to the present report.

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* At 2006-2007 rates. Figures in the present text, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

Recommendations on posts

IV.17 The establishment of one P-3 post is proposed in the Landlocked Developing Countries Unit, under subprogramme 2 (A/60/6 (Sect. 10), para. 10.22). The post is sought to provide additional support to ensure implementation of the Almaty Programme, including follow-up and monitoring activities. **The Advisory Committee recommends approval of the post. The Committee trusts that these functions will also enhance the capacity of the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States for cooperation and collaboration with the entities of the United Nations system, in particular those engaged in operational development in activities for least developed countries, landlocked developing countries and small island developing States.**

IV.18 Redeployment between sections of the budget, proposed pursuant to paragraph 14 of resolution 58/270, are described in detail in paragraphs 10.22 and 28A.20 in the programme budget proposal. They would involve inward redeployment of one P-5 post from section 28A, Office of the Under-Secretary-General for Management, to section 10, Least developed countries, landlocked developing countries and small island developing States, under subprogramme 2, Landlocked developing countries, in exchange for the outward redeployment of one P-4 post to section 28A (A/60/6 (Sect. 10), para. 10.22 and A/60/6 (Sect. 28A), para. 28A.20). **The Advisory Committee recommends acceptance of these redeployments between sections.**

Recommendations on non-post resources

IV.19 Requirements for consultants and experts amount to $116,500 (before recosting), which is $18,000 (13.4 per cent) less than the 2004-2005 appropriation of $134,500. In its previous report (A/58/7, para. IV.40), the Advisory Committee expressed its expectation that the Office of the High Representative would make every effort to use research materials and other information already available, for example from the United Nations Conference on Trade and Development, United Nations funds and programmes, and the specialized agencies, to optimize the use of the small professional capacity of the Office and to avoid duplication. **The Committee appreciates the reduction that has been achieved and trusts that efforts will continue to utilize already available expertise within the United Nations system to the extent possible (see chap. I above).**

Other comments and recommendations

IV.20 With regard to extrabudgetary activities, the Advisory Committee was informed that the Office's trust fund was used to ensure the participation by representatives of least developed countries in various conferences and meetings, in particular at locations away from Headquarters. The Committee was also informed that, with a view to the Office's ongoing requirements, resource mobilization has been effective and that resources were committed to recipient countries and were expected to be sufficient to carry out activities earmarked for financing through the trust fund.

IV.21 **The Advisory Committee is of the opinion that collaboration between the Office and other entities of the United Nations system, such as the Department of Economic and Social Affairs, the United Nations Development Programme**

(UNDP), the Economic Commission for Africa and/or other regional commissions and UNCTAD, on United Nations support for the New Partnership for Africa's Development would greatly enhance its work and avoid duplicative activities, particularly in the area of information-gathering. The Committee points out that the Department of Economic and Social Affairs already provides related expertise, which could augment the Office's work and avoid duplication. For example, the Department of Economic and Social Affairs provides expert advisory services to developing countries, small island developing States and countries with economies in transition for capacity-building (A/60/6 (Sect. 9), para. 9.67 (c) (i)). In addition, UNCTAD undertakes similar activities through its Special Programme for Least Developed Countries, Landlocked and Transit Developing Countries, Small Island Developing States and Structurally Weak, Vulnerable and Small Economies. **The Committee trusts that the Office will proactively seek collaboration with other entities of the United Nations system, to identify areas of mutual cooperation and to regularize the sharing of information and expertise and that an update will be provided for the 2008-2009 biennium.** Additional comments of the Committee on the matter are contained in section 9 above.

Section 11
United Nations support for the New Partnership for Africa's Development

Proposal submitted by the Secretary-General	$10,322,200*
Revised appropriation for 2004-2005	$9,575,000
Projected extrabudgetary resources	$526,000

A summary of the proposals of the Secretary-General for regular budget posts by budget section is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade level is contained in annex I to the present report.

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* At 2006-2007 rates. Figures in the present text, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

IV.22 Requirements for consultants and experts amount to $708,100 (before recosting), which is $18,900 (2.7 per cent) more than the 2004-2005 appropriation of $689,200. Extrabudgetary estimates for consultants and experts are indicated at $230,000, which is $105,000 higher than the 2004-2005 estimate of $125,000. The Advisory Committee trusts that the Office of the Special Adviser on Africa will make every effort to use research material, as well as other resources already widely available on matters related to the region, for example from the Economic Commission for Africa, UNCTAD, the Department of Economic and Social Affairs, the Department of Peacekeeping Operations, United Nations funds and programmes and the specialized agencies, to optimize the use of the small professional capacity of the office and to avoid duplication. The Committee further comments on information-sharing in its discussion of section 9 (Economic and social affairs). The

Committee was informed that, in general, partnering activities with other entities are in their infancy. **In view of the presence of other United Nations entities in the region dealing with African issues, the Committee encourages the Office to be proactive in identifying partnering opportunities. Furthermore, the Committee trusts that the Office will develop integrative networks to enhance regional activities and capacity-building in support of a system-wide approach.**

IV.23 Under subprogramme 2, Regional coordination of and support for the New Partnership for Africa's Development, specialized consultancy services are proposed for a review of the United Nations system-wide support to the implementation of the New Partnership. The Advisory Committee believes that this expertise, as well as the necessary institutional memory and knowledge, already exist within the United Nations system. **The Committee trusts that efforts will be made to utilize available expertise and resources within the United Nations system.**

IV.24 Requirements for contractual services amount to $436,500 (before recosting), which is $56,000 (14.7 per cent) more than the 2004-2006 appropriation of $380,500. Extrabudgetary estimates for contractual services are indicated at $90,000. This object of expenditure includes costs for external editing, translation and printing. **The Advisory Committee points out that in-house services should be sought in this regard. If it is perceived that translation cannot be provided internally within a reasonable time frame, there should be recourse to contractual translation services through the Contractual Translation Unit of the Department for General Assembly and Conference Management. This matter is discussed in more detail under section 2 of the present report.**

Other comments and observations

IV.25 The Advisory Committee notes that, through the Department of Public Information, the Office is undertaking public relations and information dissemination activities on regional and subregional matters; this includes the publication of a quarterly periodical (*Africa Renewal*) and the website of the Office of the Special Adviser on Africa (www.un.org/africa/osaa). The Committee was informed that, to date, no performance or client satisfaction measures had been developed to ensure the effectiveness of these activities and trusts that the Office will endeavour to do so.

IV.26 **The Advisory Committee recommends that the organization chart at the end of the fascicle for section 11 be reformatted so as to show the true linkage between the Office of the Special Adviser, the Economic Commission for Africa and the Department of Public Information.**

Section 12
Trade and development

Proposal submitted by the Secretary-General	$120,378,700*
Revised appropriation for 2004-2005	$114,802,300
Projected extrabudgetary resources	$61,146,400

A summary of the proposals of the Secretary-General for regular budget posts by budget section is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade level is contained in annex I to the present report.

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* At 2006-2007 rates. Figures in the present text, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

Recommendations on posts

IV.27 **The Advisory Committee notes that a number of new posts, one reclassification, one redeployment and abolition of several posts were requested. Explanations provided in this respect in the programme budget proposal were too general. In point of fact, throughout the fascicle there was a lack of supporting justification of the operational necessity for proposed action on these posts. For example, the proposal to establish two P-2 posts was explained as filling the need "to strengthen the subprogramme in the area of statistics to better respond to mandates emerging from the eleventh session of the Conference". The Committee further comments on the P-2 post in paragraph IV.29 below. No other pertinent information was provided. The Committee trusts that, in future, proposals for action on posts will be presented with precise supporting justification.**

IV.28 The establishment of one P-3 post is proposed in the Division on Globalization and Development Strategies, under subprogramme 1 (A/60/6 (Sect. 12), para. 12.37). The programme budget proposal indicates that the post is sought in response to additional requirements from the São Paulo Consensus. The Advisory Committee was informed that the request for a P-3 level post is the minimum requirement to meet demands of the subprogramme, which is responsible for the substantive analysis of African development issues and produces an annual report, *Economic Development in Africa*. The Committee notes that staffing of subprogramme 1 includes 13 P-4/P-3 posts; UNCTAD as a whole has 126 P-4/P-3 posts. **Accordingly, the Committee recommends that the function be met through redeployment.**

IV.29 The establishment of two P-2 posts are proposed in the Division on Investment, Technology and Enterprise Development, under subprogramme 2 (ibid., para. 12.42). The two new posts are sought to strengthen the subprogramme in the area of statistics. **The Advisory Committee points to the considerable resources of the Department of Economic and Social Affairs in the area of statistics, as well as the possibilities for collaboration with IMF and the World Bank in compiling quantitative and qualitative information in various areas. The**

Committee points out that a total of 579 regular budget and extrabudgetary posts were available at the Department of Economic and Social Affairs during the 2004-2005 biennium, including a total of 123 posts for its subprogramme 5 (Statistics). The Committee comments on information-sharing and coordination opportunities below and in further detail in its discussion of section 9 above. Furthermore, the Committee notes that the staff resources of subprogramme 2 are already considerable, with 35 posts at the P-4/P-3 level and 9 posts at the P-2/P-1 level for the 2004-2005 biennium. The Committee does not therefore recommend approval of the two P-2 posts requested.

IV.30 The establishment of one P-4 post is proposed for the Special Programme for Least Developed Countries, Landlocked and Transit Developing Countries, Small Island Developing States and Structurally Weak, Vulnerable and Small Economies, under subprogramme 5 (ibid., para. 12.60). The new post is sought to assist with the annual report on the least developed countries and to undertake research and policy analysis in this respect. **The Advisory Committee notes that an inward redeployment of another P-4 post is proposed for the same purpose (see para. IV.34 below). To avoid duplicative efforts, the Committee recommends that UNCTAD proactively seek a collaborative agreement with the Office of the High Representative for Least Developed Countries, Landlocked Developing Countries and Small Island Developing States. The Committee comments further on this matter in its discussions of sections 9 and 10 above. Subject to the foregoing, the Committee recommends approval to establish the new P-4 post.**

IV.31 The establishment of one P-2 post is proposed for an Information Systems Officer, under programme management (ibid., para. 12.67). The new post is sought to increase the level of qualified technical expertise for information technology, in conjunction with the proposal to abolish one related General Service (Other level) post. **The Advisory Committee recommends approval of this post.**

IV.32 The reclassification of one P-5 post to the D-1 level is proposed in the Special Programme for Least Developed Countries, Landlocked Developing Countries, Small Island Developing States and Structurally Weak, Vulnerable and Small Economies, under subprogramme 5 (ibid., para. 12.60). The proposed programme budget indicates that the upward reclassification is sought to strengthen work under the subprogramme. **However, no additional explanation or justification was provided, either in the budget proposal or in the accompanying supplementary information. Upon inquiry, the Advisory Committee was informed that the P-5 incumbent would assume additional responsibilities related to the production of the annual report on the least developed countries and that a reclassification of the P-5 post to the D-1 level was sought to reflect that added responsibility. Furthermore, the Committee was informed that a post at the P-5 level would not be sufficiently senior and that a D-1 post would be required to meet substantive, managerial and supervisory responsibility for all the research and policy analysis of the Special Programme. The Committee notes, however, that senior substantive leadership within the Special Programme is already assured with an existing D-2 post, providing the required substantive coordination and guidance on research and analysis. Accordingly, the Committee recommends against the reclassification.**

IV.33 **The Advisory Committee recommends approval for the abolishment of the following posts, which are, in general, being relinquished due to overall productivity increases resulting from new information technology and increased computer skills. With the exception of the General Service (Other level) post under programme support, which is to be replaced by a new P-2 post for an Information Systems Officer, the Committee trusts that these abolitions will not lead to further requests for new professional posts to perform essentially the same functions:**

(a) Two General Service (Other level) posts, Division on Globalization and Development Strategies, under subprogramme 1 (ibid., para. 12.37);

(b) Three General Service (Other level) posts, Division on Investment, Technology and Enterprise Development, under subprogramme 2 (ibid., para. 12.42);

(c) One General Service (Other level) posts, Division on International Trade in Goods and Services, and Commodities, under subprogramme 3 (ibid., para. 12.48);

(d) One General Service (Other level) post, under programme support (ibid., para. 12.67).

IV.34 Two proposed redeployments between subprogrammes are described in detail in paragraph 12.60 in the programme budget proposal (see table IV.4 below).

Table IV.4
Summary of redeployments under section 12

Grade	*From*	*To*
1 P-4	Subprogramme 4. Division for Services Infrastructure for Development and Trade Efficiency	Subprogramme 5. Special Programme for Least Developed Countries, Landlocked Developing Countries, Small Island Developing States and Structurally Weak, Vulnerable and Small Economies
1 General Service (Other level)	Subprogramme 4. Division for Services Infrastructure for Development and Trade Efficiency	Subprogramme 5. Special Programme for Least Developed Countries, Landlocked Developing Countries, Small Island Developing States and Structurally Weak, Vulnerable and Small Economies

Recommendations on non-post resources

IV.35 An amount of $1,292,600 (before recosting) is proposed for 2006-2007 for travel of staff, representing an increase of $42,200 or 3.4 per cent, compared to the revised appropriation of $1,250,400 for 2004-2005. The Advisory Committee was informed that travel for the collection of quantitative and qualitative data was routinely undertaken but that electronic means of communication, such as the Internet and videoconferencing, were also used. However, it appears to the Committee that travel costs have been unaffected as a result of the latter. **The Committee recommends that UNCTAD closely monitor its travel-related expenses and identify areas for economies. The Committee recommends maintaining budgetary resources for the travel of staff at the 2004-2005 level, this represents a reduction of $42,200 (before recosting).**

IV.36 The Advisory Committee notes that resources for programme support, including executive direction and management, amount to approximately 27 per cent of the total programme budget estimate of $112,530,900 (before recosting). The Committee notes a steadily increasing trend since 2002-2003, notwithstanding the fact that the budget estimate for 2006-2007 indicates a slight decrease. The Committee was informed that a ratio of approximately one-fourth of programme support costs to programme of work costs was appropriate. From information provided to it, the Committee notes that a three-year (2005-2007) evaluation plan is under way, focusing on substantive matters. The Committee was also informed that the latest comprehensive review by the Office of Internal Oversight Services was undertaken during 1995. **The Committee points out that procedures should be in place to ensure a lean and efficient operation and that guidelines on internal programme performance assessment in results-based management are readily available through the Office of Internal Oversight Services. The Committee is of the opinion that a follow-up review should be undertaken and that there should be routine operational audits and reviews to help identify opportunities for further efficiencies and economies in both the administrative and substantive components, including the elimination of duplication with other bodies in the area of statistics and related publications. The Committee further comments on information sharing and opportunities for coordination in its discussion under section 9 above.**

IV.37 An amount of $1,763,800 (before recosting) is proposed for consultants and experts for 2006-2007, representing a decrease of $238,700 or 11.9 per cent, compared to the revised appropriation of $2,002,500 for 2004-2005. Detailed information regarding consultants from January 2004 to May 2005 provided to the Advisory Committee indicated that the Office hired 93 consultants for a total of 5,877 working days during 17 months. It could not be ascertained whether some consultants were hired more than once. Some consultancy services were obtained in areas where expertise from within the United Nations system is available; for example, for editing, proofreading and translation. In one instance, UNCTAD hired consultants for a total of 10 working days to translate two press releases. **The Committee points out that a total of 431 regular budget and extrabudgetary posts were available to UNCTAD during the 2004-2005 biennium. Also, the nature of the work is such that it can be structured and planned well in advance, since it is not crisis or emergency-driven, as are other offices with comparable staffing levels within the United Nations system. The Committee is concerned that in view of the fact that the latest review by the Office of Internal Oversight Services was undertaken some time ago, work flows and responsibilities may be assigned to consultants for lack of a long-term managerial strategic plan. Although the Committee does not recommend a**

further reduction of the requirements for consultants and experts, it expects that strict attention will be paid to the guidelines for their use. The Committee further comments on the use of consultants in chapter I to the present report.

Other comments and recommendations

IV.38 The Advisory Committee notes that opportunities exist for information sharing with various organizations, such as the World Customs Union, the World Tourist Organization, the Department of Economic and Social Affairs or the World Trade Organization and that a memorandum of understanding was signed in 2003 with the latter. The Committee emphasizes that a wide variety of trade and development raw and processed statistical data is already available from various sources for use and analysis by decision makers. However, particularly in the area of statistics, the compilation and quantitative and qualitative analysis of statistical information is undertaken with separate resources and seemingly separate objectives although such information is overlapping and not mutually exclusive. Primary statistical data for trade and development is compiled by the Department of Economic and Social Affairs for non-recurrent and recurrent publications such as the *Yearbook of International Trade Statistics* or the newsletter on international trade in services (A/60/6 (Sect. 9), para. 9.71,(b)(i)). Moreover, technical materials can be obtained from the Department of Economic and Social Affairs and others, including international trade statistics and classifications, as well as resources available via a standardized statistical metadata exchange and collaboration with IMF and other relevant institutions in an inter-agency working group, as noted under section 9 (A/60/6 (Sect. 9), para. 9.71,(b)(iii)). **The Committee recommends that UNCTAD, in collaboration with the Department of Economic and Social Affairs, define its goals for regular information-sharing and initiate an in-depth review to ascertain specific areas of duplication. The Committee further comments on information-sharing in section 9 (Economic and social affairs). The Committee anticipates an update in this respect for the 2008-2009 biennium.**

Section 13
International Trade Centre UNCTAD/WTO

IV.39 The Advisory Committee recalls that the General Assembly, in section I of resolution 59/276 of 23 December 2004, endorsed revised administrative arrangements for the International Trade Centre UNCTAD/WTO (ITC) as proposed by the Secretary-General and recommended by the Committee (A/59/543). Pursuant to that resolution, ITC will no longer be required to submit a budget outline. The Secretary-General has accordingly submitted a preliminary estimate to accommodate the programme of activities of ITC for the biennium 2006-2007 (A/60/6 (Sect. 13)), as called for in that resolution. Expressed in 2004-2005 foreign exchange rates, the proposed estimated requirements for ITC for 2006-2007 amount to 65,540,400 Swiss francs (SwF) (combined World Trade Organization and United Nations shares), with a projected income of SwF 470,000 for the biennium. On that basis the contribution from both the World Trade Organization and the United Nations would amount to SwF 32,535,200 each for the biennium.

IV.40 **The Advisory Committee recommends that the General Assembly take note of the resources proposed in the preliminary budget estimate, including a**

request for two new professional posts (1 P-4 and 1 P-3) to reinforce the activities of ITC (A/60/6 (Sect. 13), para. 13.5).

IV.41 As indicated in paragraph 13.8 of the preliminary budget estimate, a detailed proposed programme budget for ITC for the biennium 2006-2007 will be submitted to the General Assembly at its sixtieth session.

Section 14
Environment

Proposal submitted by the Secretary-General	$12,113,000*
Revised appropriation for 2004-2005	$10,915,800
Projected extrabudgetary resources	$260,931,400

A summary of the proposals of the Secretary-General for regular budget posts by budget section is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade level is contained in annex I to the present report.

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* At 2006-2007 rates. Figures in the present text, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

Recommendations on posts

IV.42 The establishment of one P-3 post is proposed for the Secretary of the Governing Bodies of the United Nations Environment Programme in the Office of the Executive Director (A/60/6 (Sect. 14), para. 14.24). The new post is sought to provide secretariat support to the Group of 77 and China with a focus, inter alia, on administrative, budgetary and protocol matters. **This request for a new P-3 post represents a transfer from extrabudgetary to regular budget resources. Taking into account the importance of these functions to ensure an efficient and effective intergovernmental decision-making, the Advisory Committee recommends approval of the new P-3 post.**

Other comments and recommendations

IV.43 The Advisory Committee points out that it has been calling for a review of the need for multiple liaison offices since its first report on the proposed programme budget for the biennium 1997-1998[8] (see paras. 115 and 116 of that report); the latest recommendation in this respect was in paragraph 106 of its report for the biennium 2004-2005[4]. The Committee regrets that no action was initiated following its repeated recommendation and notes that UNEP maintains a Regional Office for North America in Washington, D.C., as well as a liaison office in New York City. **Although the Committee understands that the Global Environment Fund is headquartered in Washington, D.C., it believes that it does not add any significant value to continue operating from two locations in such close geographic proximity. Accordingly, the Committee recommends that a relocation of the UNEP Regional Office for North America to New York City be considered in order to take advantage of the immediate proximity of United**

Nations funds and programmes relevant to its activities and to avoid duplication of efforts. Liaison activities may then be coordinated from the UNEP consolidated North American Office.

IV.44 The Advisory Committee notes from additional information provided to it that after the Department of Peacekeeping Operations contacted UNEP in 2002, joint visits to the United Nations Mission in Sierra Leone and the United Nations Interim Force in Lebanon were undertaken. The resulting environmental guidelines were to be made available to the Department of Peacekeeping Operations and field missions during 2005. **The Advisory Committee commends both UNEP and the Department for collaborating on this important matter. The Committee regrets, however, that the original initiative was undertaken by the Department and not by UNEP, and then only very recently, in 2002. The Committee trusts that UNEP will, in future, offer its expertise proactively to field operations, whether of a peacekeeping or humanitarian nature, and will continue to provide guidance to monitor environmental standards of United Nations system operations.**

IV.45 The Advisory Committee was informed that the scope of the UNEP evaluation and oversight function comprises the programmes and projects of the Environment Fund and related trust funds, as well as projects of the Global Environment Facility that are implemented by UNEP. The Evaluation and Oversight Unit is comprised of one P-5 (Chief), one P-4 (Evaluation Officer), one Junior Professional Officer and three General Service (Other level) staff. With regard to the 2006-2007 work plan, two subprogramme evaluations, three management studies as well as other evaluations are scheduled. Meanwhile, work on the biennial evaluation report is scheduled to be carried out from October 2007 to January 2008.

IV.46 The Advisory Committee notes that, despite the increased workload associated with the production of a major publication, no additional resources for the United Nations Scientific Committee on the Effects of Atomic Radiation are proposed. Upon inquiry, the Committee was informed that UNEP would provide additional resources, through redeployment, to ensure that the Scientific Committee can fulfil its mandate and meet its sole indicator of achievement.

Section 15
Human settlements

Proposal submitted by the Secretary-General	$17,966,500*
Revised appropriation for 2004-2005	$16,012,800
Projected extrabudgetary resources	$149,807,500

A summary of the proposals of the Secretary-General for regular budget posts by budget section is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade level is contained in annex I to the present report.

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* At 2006-2007 rates. Figures in the present text, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

Recommendations on posts

IV.47 The establishment of one P-4 post is proposed for a Programme and Management Oversight Officer in the Governing Council of the United Nations Human Settlements Programme (UN-Habitat), (A/60/6 (Sect. 15), para. 15.20). The new post is proposed for the following functions: inspection activities for programme and field activities; monitoring of implementation of oversight recommendations and preparing documentation required by the Internal Oversight Committee and other bodies; programme advice and support; and training (programme-related activities). The Advisory Committee recalls that, for the purposes of monitoring and evaluation, one P-5 post was approved under subprogramme 2 in the biennium 2004-2005, following the approval of two similar-function posts (1 P-5 and 1 P-4) under subprogramme 2 in 2002-2003. The Committee notes that the UN-Habitat monitoring and evaluation functions are dispersed across subprogrammes. The Committee was informed that the proposed P-4 post would assume functions within the monitoring and evaluation unit under the Office of the Executive Director. The Committee also comments in paragraph IV.51 below on the need to review and streamline the monitoring and evaluation functions of UN-Habitat in order to avoid duplicative efforts, resulting in the uneconomical use of the Organization's scarce financial resources. **The Committee therefore recommends that the functions envisioned for the proposed P-4 post be carried out through redeployment or a redistribution of responsibilities, but stands ready to reconsider a rejustification of the post for the 2008-2009 biennium. The Committee also recommends that UN-Habitat seek assistance from the Office of Internal Oversight Services, as well as from UNEP, with regard to best practices and guidance in organizing a monitoring and evaluation function. In this regard, the Committee recalls the in-depth evaluation of UN-Habitat carried out by the Office of Internal Oversight Services (E/AC.51/2005/3), in particular paragraphs 68 to 70 on monitoring and evaluation.**

IV.48 The establishment of one P-3 post is proposed for a Human Settlements Officer in the Monitoring and Research Division (ibid., para. 15.31). The Advisory

Committee was informed that the new post is sought to strengthen the Partners and Youth Section to strengthen dialogue with a variety of Habitat Agenda partners. **The Committee recommends approval of the post.**

IV.49 The outward redeployment of one P-4 post in the Shelter and Sustainable Human Settlements Development Division, under subprogramme 1, to the Monitoring and Research Division, under subprogramme 2 is proposed (ibid., para. 15.26). The redeployment is sought to provide support for UN-Habitat flagship reports, including the *Global Report on Human Settlements* and *Habitat Debate*. **The Advisory Committee notes that for the 2004-2005 biennium, UN-Habitat received a new P-4 post for subprogramme 1, but that for the 2006-2007 biennium, one P-4 post in the same subprogramme was proposed for outward redeployment. The Committee therefore questions whether a new P-4 was operationally required during the 2004-2005 biennium. The Committee regrets that resources made available by the General Assembly were apparently left idle and that no strategic approach was developed in this respect. The Committee trusts that UN-Habitat will present a well-developed strategy on management of staff resources in the next programme budget proposal, including a proper organization chart indicating offices below the Division level.**

Other comments and recommendations

IV.50 The Advisory Committee notes that three UN-Habitat liaison offices are currently operational, namely in Brussels, Geneva, and New York City. The Committee points out that it has been calling for a review of the need for multiple liaison offices since its first report on the proposed programme budget for the biennium 1997-1998[8] (see paras. 115 and 116 of that report); the latest recommendation in this respect was in paragraph 106 of its report for the biennium 2004-2005[4]. The Committee regrets that no action was initiated following its repeated recommendation and notes that the two liaison offices in Europe, in Geneva and Brussels, are in close geographic proximity and within easy reach of each other. The Committee believes that consolidating the UN-Habitat European liaison functions into one location would result in significant cost savings, taking into account any additional travel costs or communication costs, for example videoconferences, that would incur as a result. **The Committee recommends that UN-Habitat address the issue of streamlining its European liaison offices with the possibility of consolidating their operations in one location.**

IV.51 In addition to a monitoring and evaluation unit in the Office of the Executive Director, identical activities are also dispersed among the various subprogrammes. Information provided to the Advisory Committee clarified that the Monitoring and Research Division under subprogramme 2 is responsible for substantive and external programme activities, while the Monitoring and Evaluation Unit located under Executive Direction and Management addresses internal activities related to the Programme's overall management. **The Committee nevertheless believes that combining monitoring and evaluation functions, perhaps using the UNEP approach as a guideline, would offer UN-Habitat management better control over all of its subprogrammes and would therefore greatly enhance the Office's strategic planning capabilities. The Committee recommends that UN-Habitat consider streamlining and restructuring its monitoring and evaluation**

functions into a centrally managed unit to be responsible for such functions for all subprogrammes.

IV.52 The Advisory Committee notes that over the last three bienniums (2002-2003, 2004-2005 and 2006-2007) there has been a significant increase in non-recurrent publications, that is from 49 non-recurrent publications in 2002-2003 to an estimated 156 in 2006-2007. The Committee was informed that UN-Habitat does not currently have a mechanism in place to determine the effectiveness of its publications for the end-user. **In view of the increasing staff and financial resources expended, the Committee recommends that UN-Habitat develop tools to evaluate the usefulness of its publications. Similarly, UN-Habitat undertakes regular exhibitions to provide information to experts and the general public. In this respect, it would also be helpful to initiate a systematic evaluation of customer satisfaction and general impact on those who visit its exhibits and use the information provided.**

Section 16
International drug control, crime prevention and criminal justice

Proposal submitted by the Secretary-General	$33,043,800*
Revised appropriation for 2004-2005	$30,909,900
Projected extrabudgetary resources	$256,420,000

A summary of the proposals of the Secretary-General for regular budget posts by budget section is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade level is contained in annex I to the present report.

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* At 2006-2007 rates. Figures in the present text, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

Recommendations on posts

IV.53 The establishment of one P-4 post is proposed in the Division for Policy Analysis and Public Affairs, under subprogramme 1 (A/60/6 (Sect. 16), para. 16.36). The Advisory Committee was informed that the new post is sought to enhance in-house capacity for the publication of the *World Crime Report*, a newly consolidated biennial publication to be issued in response to General Assembly resolution 59/159. **The Committee recommends approval of this post.**

IV.54 The establishment of one P-4 post is proposed in the Sustainable Livelihoods Unit of the Division for Operations, under subprogramme 3 (ibid., para. 16.46). The post is proposed in support of strategy development and the promotion of best practices, as well as financing-related activities. The Advisory Committee was informed that the responsibilities will include the provision of policy advice to all programmes; however, the Committee was informed that responsibilities will focus mostly on technical assistance projects, which are becoming increasingly important for the programme. **The Committee accordingly recommends approval of this post.**

IV.55 Proposed redeployments between subprogrammes are described in detail in paragraphs 16.36 and 16.41 in the programme budget proposal (see table IV.5 below).

Table IV.5
Summary of redeployments under section 16

Grade	*From*	*To*
1 D-2	Subprogramme 2. Division for Treaty Affairs	Subprogramme 1. Division for Policy Analysis and Public Affairs
1 P-5	Programme support	Subprogramme 1. Division for Policy Analysis and Public Affairs
1 P-4	Subprogramme 2. Division for Treaty Affairs	Subprogramme 3. Division for Operations

Recommendations on non-post resources

IV.56 An amount of $1,442,500 (before recosting) is proposed under consultants and experts for 2006-2007, representing an increase of $67,600 or 4.9 per cent compared to the revised appropriation of $1,374,900 for 2004-2005. The Advisory Committee was informed that in the past activities related to crime surveys had been assumed via consultancies, but would now be carried out by the above-mentioned proposed new P-4 post in the Division for Policy Analysis and Public Affairs under subprogramme 1. **In the light of its recommendation to approve that post, the Committee recommends that the estimate for consultants be maintained at the 2004-2005 level; this represents a reduction of $67,600 (before recosting) for 2006-2007.**

IV.57 The Advisory Committee notes that UNODC's two flagship publications, the *World Drug Report* and the *World Crime Report*, are gratis distributions. The Committee was informed that a request to the Department of Public Information some years ago to determine the saleability of the Office's publications had not been approved. **The Committee recommends that the Office request the Publications Board to address the matter again.**

IV.58 An amount of $795,400 (before recosting) is proposed under travel of staff 2006-2007, representing an increase of $21,200 or 2.7 per cent, compared to the revised appropriation of $774,200 for 2004-2005. The supplementary information provided to the Advisory Committee described travel requirements only in general terms. For example, an estimated increase of $74,100 was projected under subprogramme 2, Services for policymaking and treaty adherence, however, the narrative was limited to a description of how travel requirements relate to the Office's overall mandate. The Committee trusts that for the 2008-2009 biennium, travel plans will be more specific. Ideally, a presentation of travel plans would include details on the number of staff travelling, the duration of the trip, the destination, as well as a description and justification of the activity. **The Committee recommends that requirements for the travel of staff be maintained at the 2004-2005 level; this represents a reduction of $21,200 (before recosting) for 2006-2007.**

IV.59 For contractual services under subprogramme 1, Research, analysis and advocacy, an amount of $266,300 (before recosting) is estimated for the 2007-2008 biennium, an increase of $95,900 over the 2004-2005 appropriation of $170,400. Supplementary information provided to the Advisory Committee indicates that that this amount was required for the external production of publications. The Committee was subsequently informed that, while external to the Office, printing activities were still undertaken within the United Nations system at the facilities of the International Atomic Energy Agency (IAEA) under common services arrangements at the United Nations Office at Vienna. **The Committee trusts that this matter will be clarified in the narrative of future programme budget proposals.**

Other comments and recommendations

IV.60 The Advisory Committee notes that section 16 represents the first effort to combine drug control, crime prevention and criminal justice. The Committee commends this presentation. However, further improvements could still be made, for example by including performance indicators, absent in the presentation, for monitoring initiatives and goals relative to UNODC outlined in the Secretary-General's Millennium Report (A/54/2000). **The Committee expects that this matter will be rectified in the 2008-2009 programme budget proposal.**

IV.61 The UNODC liaison office in New York covers North America in general, including Washington, D.C. **The Advisory Committee commends the Office for initiating action in response to its past recommendations to streamline the operations of liaison offices. In this respect, the Committee believes that further consolidation would be possible by combining liaison activities with other entities, such as UNEP, which also maintains a liaison office in New York City.** The Committee notes that the Liaison Office was downsized by redeploying the extrabudgetary D-1 post to the UNODC Regional Office in Central Asia. The existing P-5 post subsequently assumed the representative function of the Liaison Office.

IV.62 The Advisory Committee notes that UNODC activities for monitoring and evaluation are exclusively funded through extrabudgetary resources and primarily focus on the assessment of technical cooperation. The activities are almost exclusively field-based.

Part V
Regional cooperation for development

Proposal submitted by the Secretary-General	$421,406,500
Revised appropriation for 2004-2005	$395,309,400
Projected extrabudgetary resources	$86,076,800

General comments on part V

V.1 The Advisory Committee notes that the overall resources requested by the Secretary-General before recosting amount to $396,091,900, representing an increase of $782,500, or 0.2 per cent over the previous biennium. These resources are supplemented by those of the regular programme of technical cooperation (see sect. 22 below) and the Development Account (see part XIII below). **The Committee is of the opinion that a cross-reference to the technical cooperation and Development Account projects and funds, where relevant, in the individual sections on the regional commissions would provide a more complete picture of activities and resources and add transparency to the budget proposals.**

V.2 **The Advisory Committee stresses once again the importance that it attaches to improving cost-effectiveness and to reducing administrative support costs in order to obtain the maximum effectiveness for substantive activities related to the programme of work.** Table V.1 shows that the average share of administrative support costs is 42 per cent of the total regular budget resources, varying from 20 per cent to over 50 per cent in the individual commissions. **The Committee recognizes that efforts have been made to improve this proportion and that some positive gains have been achieved. However, as these rates show, much remains to be done, and the Committee urges all regional commissions to pursue vigorously their efforts to reduce the share of administrative costs even further. In this regard, the Committee commends the Economic Commission for Europe (ECE) for its comparatively low ratio of 20.3 per cent and the efforts of the Economic Commission for Africa (ECA), which proposes to redeploy three Professional posts from programme support to substantive activities.**

Table V.1

Ratio of administrative support costs to programme of work costs

Section	*17 A*	*17*	*18*	*19*	*20*	*21*	
	New York Office	*ECA*	*ESCAP*	*ECE*	*ECLAC*	*ESCWA*	*Total*
Component				*United States dollars*			
A. Policymaking organs		619 100	893 500		1 250 300	134 400	2 897 300
B. Executive direction and management		4 225 400	4 240 500	4 713 800	5 817 200	3 206 200	22 203 100
C. Programme of work		59 981 500	34 965 600	46 708 800	49 542 300	26 449 200	217 647 400
D. Programme support	1 688 600	35 843 600	29 134 000	7 163 700	36 107 600	23 861 200	133 798 700
Total	**1 688 600**	**100 669 600**	**69 233 600**	**58 586 300**	**92 717 400**	**53 651 000**	**376 546 500**
% Administrative support (components A, B, and C)		40.4%	49.5%	20.3%	46.6%	50.7%	42.2%
% Programme of work		59.6%	50.5%	79.7%	53.4%	49.3%	57.8%
Extrabudgetary Funds (provisional) (United States dollars)		22 972 300	26 080 900	14 746 100	19 285 400	4 271 200	87 355 900

Note: Based on updated information supplied to the Advisory Committee.

V.3 The Advisory Committee was informed that estimates provided for extrabudgetary resources reflect firm commitments received at the time of the budget preparation and that the commissions expect that the final amounts raised will be considerably higher. However, even from the provisional data supplied at this stage, the Committee notes diverging trends, with some commissions, such as the Economic and Social Commission for Asia and the Pacific (ESCAP) and the Economic and Social Commission for Western Asia (ESCWA) showing increases and others, on the contrary, showing diminishing extrabudgetary resources. Despite the difficulties which have traditionally been experienced in forecasting the level of extrabudgetary resources to be made available (see chap. I above, paras. 103-109), a closer examination of the sources of the extrabudgetary resources shows a trend towards decreased financing from United Nations funds and programmes such as UNDP and UNFPA. **In this regard, the Advisory Committee maintains that it is of paramount importance that the regional commissions strive to remain attractive partners for donors in an increasingly competitive environment, ensuring that their work and areas of expertise do not duplicate or overlap those of others. From this standpoint also, it is essential to improve cost-effectiveness and to reduce the proportion of resources consumed by administrative support functions.**

V.4 The Advisory Committee notes the progress made in the review and production of publications in response to an Office of Internal Oversight Services recommendation (A/58/785, para. 83) as well as its own remarks on publications (A/58/7, para. V.4). It was informed that in 2004 the Department of Economic and Social Affairs had initiated a comprehensive review of the publications proposed by the economic commissions with a view to avoiding duplication. As a result of these reviews, most regional commissions have considerably reduced the number of publications to be produced, distinguishing between recurrent and non-recurrent publications, and focused more attention on their flagship publications. The Committee further notes that the commissions have also started to make more publications available electronically through their websites. **The Committee welcomes this progress. It encourages the commissions to continue to review the relevance and quality of their publications on an ongoing basis with a view to further streamlining the activities related to the production of their publications.** In this regard, the Committee draws attention to the recent measures to revitalize the Publications Board (ST/SGB/2005/15), which is the standard-setting body for United Nations publications, and to the necessity of conforming to the procedures and standards set by the Board.

V.5 The Advisory Committee notes that all the commissions either have or will have in the near future adequate connectivity and installations for full data, voice and videoconferencing communications with Headquarters, and in most cases with their subregional offices as well. The Committee was informed that videoconferencing was used with increasing frequency for a variety of purposes, such as meetings with Headquarters, meetings between the regional headquarters and subregional offices, other technical meetings and interviewing candidates, and that the overall coordination between headquarters and subregional offices had greatly improved. Information technology and electronic means of communication are also now widely available and used in all regional and subregional offices. **At this stage, the Committee notes that these investments in information and communication technology (ICT) infrastructure have not yet produced any discernible reductions in the costs for travel of staff or pouch services. It trusts that all commissions will actively seek to use these alternative means of communication whenever possible, as a matter of routine, in order to limit travel and thereby improve cost-effectiveness and efficiency. The Committee reiterates the obligation for all commissions to coordinate closely with Headquarters on all technical matters regarding videoconferencing and information technology infrastructure and to apply United Nations ICT standards so as to avoid unnecessary costs.**

V.6 The Advisory Committee has consistently emphasized the importance of interregional interaction and collaboration (A/58/7, para. V.5) and requested that the regional commissions intensify their efforts for collaboration among themselves and for coordination within the United Nations system. In its audit of the regional commissions (A/58/785), the Office of Internal Oversight Services issued a series of recommendations on the development of common standards and the establishment of mechanisms for exchanging best practices and lessons learned. The Office also recommended that the Executive Secretaries of the regional commissions agree on a common policy and harmonized methodologies for carrying out self-evaluations, for follow-up on the findings and for reporting on the findings through the results-based framework. The Committee notes that most of regional commissions have reported individually on the actions undertaken in response to some of these recommendations. **The Committee requests that the commissions collaborate closely to develop and adopt common policies and methods for monitoring and self-evaluation, which will allow meaningful comparisons between the commissions.**

V.7 Upon enquiry, the Advisory Committee was informed that the formal channels for exchanging information and coordination between the regional commissions included (a) regular meetings of the Executive Secretaries, mandated by the Economic and Social Council supported by the Regional Commissions New York Office; (b) the forum of chiefs of programme planning; and (c) regular contacts between focal points designated in all substantive areas in their respective secretariats. The Committee was informed that the Executive Secretaries meet several times a year at the margins of other high-level meetings. Recently, the focal points have focused on coordinating follow-up to global conferences and summits, including in relation to the Millennium Development Goals. Since 2003 the chiefs of programme planning have collaborated to develop guidelines for the preparation of the strategic framework and greater coherence in programme planning. A number of other arrangements for collaboration on specific topics also exist, such as the development of a training guidebook on disability statistics developed jointly by the Economic Commission for Europe (ECE), ESCAP and ESCWA.

V.8 **The Advisory Committee welcomes this progress and notes that the communication channels in place are well adapted for close cooperation among the commissions. However, the Committee is of the opinion that collaboration among the commissions could be further intensified and that greater synergies could be found through the development and adoption of common policies and methods and the regular sharing of experiences, lessons learned, workload and tools developed. The Committee requests that a consolidated report on the actions undertaken and progress made towards the adoption of common policies and methodologies be presented in the next proposed programme budget.**

V.9 In this connection, the Advisory Committee notes that as a general rule, little information is provided on the tools used for monitoring and evaluating the effectiveness of reports, publications, networks and other products delivered by the subprogrammes, or other methodologies, such as outcome mapping, used to assess the contribution of the outcomes of the programme to the achievement of the broader, overarching goal of development or the Millennium Development Goals. **These types of tools, specifically designed for monitoring and evaluating development programmes, should be refined and adapted to suit the needs of the regional commissions and shared by all the commissions in order to obtain accurate results and to facilitate comparisons among those results.**

V.10 The Advisory Committee also notes that the presentation of certain items varies from section to section. For example, resource requirements for conducting monitoring and evaluation in accordance with General Assembly resolution 58/269 may be shown under executive direction and management, programme support, individual subprogrammes or a combination of these. Certain resources, such as contractual services, are managed centrally under programme support in some commissions and decentralized under specific subprogrammes in others. Not all of the commissions have presented a list of the publications to be issued by component for the coming biennium or a summary of the actions undertaken to implement relevant recommendations of the oversight bodies, or indicated clearly the number of programme outputs added and discontinued. **The Committee requests that closer attention be paid to a more uniform presentation of the budget proposals in the future, facilitating meaningful comparisons among the activities and resources of the regional commissions.**

V.11 The Advisory Committee was informed of the negative repercussion of the freeze on the hiring of General Service staff (see resolution 58/270, para. 25) in some commissions, such as ESCWA and the Economic Commission for Latin America and the Caribbean (ECLAC), which, due to retirement, are losing large numbers of highly qualified staff in this category who can no longer be replaced. This in turn leads to greater competition for scarce, well-qualified General Service staff, some of whom have been offered higher grades and even Professional positions in other United Nations organizations.

V.12 With regard to vacancy rates, the Advisory Committee notes a significant improvement in certain commissions. However, the Committee points out that the vacancy rates may be skewed favourably to some extent as a result of the transfer of large numbers of General Service staff to the Department of Safety and Security during the 2004-2005 biennium.

V.13 A summary of the resources requested for monitoring and evaluation in accordance with General Assembly resolution 58/269, broken down by component, as well as a brief description of the related activities, is provided in table V.2.

Table V.2
Summary of monitoring and evaluation activities

Commission		*Resources*	*Activities*
ECA	**Total**	**$803 836**	Resources are requested under programme support. The Office of Planning and Programme Coordination is responsible for monitoring and evaluation and carries out the following activities: • Establishment of procedures for systematic monitoring and evaluation of the progress made in the implementation of work programmes, including their results and impact • Preparation of progress reports using inputs from the organizational units; preparation and implementation of self-evaluation at the subprogramme level; evaluation on managerial, operational and policy issues •In-depth evaluation on selected programme issues; preparation of budget performance reports for internal use and for subsequent submission to Headquarters; organization of project review and evaluation, including the preparation of evaluation reports.
	Regular budget	$504 700	
	Extrabudgetary	$299 136	
	% total resources	0.8	
ESCAP	**Total**	**$825 700**	Resources are requested under subprogrammes 1-8 and programme support. The Programme Management Division, under programme support, provides policy guidelines and coordinates monitoring and evaluation activities and provides training and support in monitoring and evaluating programme implementation.
	Regular budget	$450 200	
	Extrabudgetary	$375 500	
	% total resources	1.3	

Commission		*Resources*	*Activities*
ECE	**Total**	**$1 025 800**	Resources are requested under executive direction and management and under each subprogramme. The executive direction and management division coordinates monitoring and evaluation activities, ensures that efficient and inclusive processes for the planning, monitoring and evaluation of the subprogrammes are in place and encourages the undertaking of self-evaluations and the use of evaluation findings.
	Regular budget	$1 019 300	
	Extrabudgetary	$6 500	
	% total resources	1.9	
ECLAC	**Total**	**$1 676 300**	Resources are requested under executive direction and management and under each subprogramme. The executive direction and management division organizes, coordinates and reports on the evaluation plan of ECLAC and undertakes the substantive monitoring of the implementation of the work programme.
	Regular budget	$1 444 600	
	Extrabudgetary	$231 700	
	% total resources	2	
ESCWA	**Total**	**$476 817**	Resources are requested under programme support. The Programme Planning and Technical Cooperation Division provides policy guidelines and support to substantive divisions in the formulation and implementation of their programme of work and carries out monitoring and evaluation of the programme of work.
	Regular budget	$476 817	
	Extrabudgetary		
	% total resources	0.9	

Section 17
Economic and social development in Africa

Section 17A
Regional commission

Proposal submitted by the Secretary-General	$100,669,600*
Revised appropriation for 2004-2005	$94,656,400
Projected extrabudgetary resources	$22,972,300

A summary of the proposals of the Secretary-General for regular budget posts by budget section is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade level is contained in annex I to the present report.

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* At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

Recommendations on posts

V.14 The reclassification of one Field Service post to P-3 under programme support (see A/60/6 (Sect. 17), para. 17A.76), relates to the increasing complexity and responsibilities of the post dealing with communications and videoconferencing technologies and VSAT functions in view of the recent implementation of the ECA information and communication technology programme. **The Advisory Committee recommends approval of this request.**

V.15 A total of 11 Professional posts would be redeployed between components and subprogrammes. The Advisory Committee notes in particular the redeployment of three Professional posts (2 P-4, 1 P-2) from programme support to subprogrammes 5 and 7. **The Committee welcomes this progress and commends ECA for its efforts to transfer resources from programme support to substantive activities.** The Committee particularly notes the number of redeployments of Professional posts between subprogrammes, indicating flexibility in adjusting the level of resources to workload and programmatic priorities.

Table V.3
Economic Commission for Africa: summary of redeployments under section 17

Grade	*Outward redeployment from*	*Inward redeployment to*
1 P-2	Subprogramme 1, Facilitating economic and social policy analysis	Subprogramme 3, Strengthening development management
1 P-5	Subprogramme 3, Strengthening development management	Subprogramme 7, Supporting subregional activities for development
1 P-3	Subprogramme 3, Strengthening development management	Subprogramme 7, Supporting subregional activities for development
1 P-3	Subprogramme 5, Promoting trade and regional integration	Subprogramme 7, Supporting subregional activities for development
1 P-2	Subprogramme 7, Supporting subregional activities for development	Subprogramme 3, Strengthening development management
1 P-2	Subprogramme 7, Supporting subregional activities for development	Subprogramme 5, Promoting trade and regional integration
1 P-2	Subprogramme 7, Supporting subregional activities for development	Programme support
1 P-3	Programme support	Executive direction and management
1 P-4	Programme support	Subprogramme 5, Promoting trade and regional integration
2 P-4	Programme support	Subprogramme 7, Supporting subregional activities for development

V.16 **The Advisory Committee welcomes the significant improvement reported in filling vacancies and notes that details of the measures taken to improve the incumbency situation are provided (A/60/6 (Sect. 17), table 17A.27), as requested by the Committee in its previous report (A/58/7, para. V.11).** The Committee notes that the vacancy rate has dropped from 23.4 per cent and 6.6 per cent at 31 May 2003 to 7.2 per cent and 3 per cent at the end of March 2005 for Professional posts and General Service posts, respectively. **The Committee commends ECA for its efforts to tackle this problem on a variety of fronts, including through the direct involvement of ECA management, the systematic follow-up of vacant posts, the training of staff in the use of the Galaxy recruitment system and sustained efforts to search for competent staff and attract them to ECA.**

V.17 The Advisory Committee recalls its previous recommendation on the use of general temporary assistance to fund 83 posts for periods sometimes exceeding 10 years on the basis of 11-month contracts (A/58/7, para. V.15) and notes from the summary of follow-up action taken (A/60/6 (Sect. 17), table 17A.27) that ECA has set up a joint staff-management team to review this matter and to make proposals. The Committee trusts that this matter will be pursued diligently and that strict controls will be put in place to prevent future misuse of general temporary assistance funds. **The Committee requests that the proposals of the joint staff-management team and the actions taken in response to these proposals be reported in the next performance report.**

Recommendations on non-post resources

V.18 The Advisory Committee notes that ECA has reconstituted its Publications Committee to look into the issues raised by the Office of Internal Oversight Services (see A/58/785, para. 83). The number of publications will be reduced from 106 to 75, of which 57 are non-recurrent publications. The Committee points out that the list of publications to be issued in the 2006-2007 biennium was not included in the supplementary information provided to it.

V.19 The Advisory Committee notes that the costs of external printing would decrease by $49,300 (before recosting), largely through the discontinuation of publications rather than an increased share of internal printing. The Committee also notes that ECA has built up its internal printing capability and is now able to produce all the documents for conferences and meetings in-house. However, ECA still resorts largely to external printing to meet the demands of the substantive areas, in particular for its flagship publications. The Committee was informed that during the 2006-2007 biennium, ECA will continue to strengthen its in-house printing capabilities for higher-quality printing and will also direct efforts and resources towards making publications available electronically. **The Committee requests that progress in this regard be reported in the next proposed programme budget of ECA.**

V.20 **Requirements for travel of staff, estimated at $1,736,600 (before recosting) remain unchanged from 2004-2005, but nonetheless, in the view of the Advisory Committee, remain high. As discussed in paragraph V.5 above, the investments in ICT and videoconferencing infrastructure should lead to less travel, especially between ECA and its regional offices and to destinations outside of Africa (see A/58/7, para V.18). The Committee reiterates its view that, given the**

high cost of travel in the region, with each trip budgeted at a minimum of $2,000, efforts to limit travel should be pursued vigorously. The Committee requests that progress in this regard be reported in the next proposed programme budget of ECA.

V.21 The Advisory Committee notes that a provision of $942,400 has been made under subprogramme 8, in accordance with section V of General Assembly resolution 45/248 A of 21 December 1990 and section XVII of General Assembly resolution 46/185 C of 20 December 1991, for the continuation of the grant to the African Institute for Economic Development and Planning (IDEP) to finance four core Professional posts (1 D-1, 1 P-4 and 2 P-3). Upon enquiry, the Committee was provided additional information which indicated that the total resource requirements for the 2004-2005 period amounted to $6,354,361, including $2,939,210 under the IDEP regular budget and $3,415,151 from extrabudgetary funds. The United Nations grant of $942,400 was included under the IDEP regular budget resources. The extrabudgetary funds comprise $1,469,909 from the Arab Bank for Economic Development in Africa, $1,000,000 from the Netherlands and $945,242 from other sources.

V.22 **With regard to conference services, the Advisory Committee continues to be concerned that the capacity of the United Nations Office at Nairobi is being underutilized by ECA and is not convinced that all efforts have been made to improve cooperation with the United Nations Office at Nairobi in this matter (see A/60/6 (Sect. 17), table 17A.27). The Committee reiterates its opinion that there is potential for considerable efficiency and productivity gains, as well as for cost savings under temporary assistance for meetings for translation, interpretation, proofreading and editorial services. It requests once again that ECA explore all opportunities for sharing the spare capacity that may be available at other duty stations at a given time and that it report on progress in this area in the proposed programme budget for the biennium 2008-2009.**

V.23 The Advisory Committee also questions whether the amount of $82,900 requested under contractual services for promotion, advertising and marketing of the ECA conference centre is a judicious use of funds, given that the expected income of the conference centre for 2006-2007 amounts to $374,100, an increase of $33,800 over the current biennium.

V.24 The estimates for extrabudgetary resources at the time of the preparation of the budget proposals indicate a decrease of approximately $4.6 million, down from some $27.6 million projected to be raised for the 2004-2005 biennium to approximately $23 million for the current biennium. Even though the amounts indicated are still provisional at this stage, the Advisory Committee expresses concern in this regard. However, the Committee was informed that a wide range of fund-raising initiatives have been put into place, including a process for dialogue with funding partners on a quarterly basis. ECA indicated that it was optimistic about its ability to raise additional funds and to create new partnerships.

V.25 **The Advisory Committee welcomes the comprehensive and detailed information provided in A/60/6 (Sect. 17), table 17A.27, on the follow-up to actions taken to implement its recommendations and those of the Board of Auditors.**

Section 17B
Regional Commissions New York Office

Proposal submitted by the Secretary-General	$1,688,600[a]
Revised appropriation for 2004-2005	$1,585,600

A summary of the proposals of the Secretary-General for regular budget posts by budget section is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade level is contained in annex I to the present report.

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[a] At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

V.26 The Advisory Committee notes that the resources for the 2006-2007 biennium for the Regional Commissions New York Office are requested at the level of the revised 2004-2005 appropriation, $1,585,600 before recosting. Staffing of the Office remains unchanged, at a total of 6 posts: 1 D-1, 1 P-5, 1 P-4/3, 1 General Service (Principal level) and 2 General Service (Other level).

V.27 **The Advisory Committee reiterates its previous recommendation (A/58/7, paras. 106 and V.29), which called upon the United Nations funds and programmes represented at Headquarters to examine the merits of this apparently effective common services arrangement.**

V.28 The Advisory Committee requests the Office to consider the feasibility of applying the results-based budget framework.

Section 18
Economic and social development in Asia and the Pacific

Proposal submitted by the Secretary-General	$69,233,600[a]
Revised appropriation for 2004-2005	$65,067,100
Projected extrabudgetary resources	$26,080,900

A summary of the proposals of the Secretary-General for regular budget posts by budget section is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade level is contained in annex I to the present report.

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[a] At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

Recommendations on posts

V.29 Three P-5 posts are requested:

(a) One for subprogramme 1, Poverty and development (A/60/6 (Sect. 18), para. 18.35);

(b) One for subprogramme 4, Trade and investment (ibid., para. 18.50);

(c) One for subprogramme 7, Information, communication and space technology (ibid., para. 18.65).

The Advisory Committee was informed that the additional three P-5 posts are requested to strengthen the research and analytical capacities of three ESCAP regional institutions, on the basis of resolutions 61/3, 61/4 and 61/5 adopted by ESCAP at its sixty-first session, in the context of the realignment of the work of the regional institutions with the programmatic priorities of ESCAP. **While the Committee does not dispute the justifications presented for these senior posts, at the same time it notes that the combined regular and extrabudgetary requirements for consultants and experts remain at considerable levels, practically unchanged, at some $7.5 million. The Committee is of the opinion that the establishment of new posts at senior levels, especially those intended for research and analytical purposes as is the case here, augment internal capacity, which in turn should reduce the need for external consultants and expertise. The Committee recommends acceptance of these three P-5 posts on the understanding that requirements for consultants will be reassessed with a view to achieving economies** (see para. V.38 below).

V.30 One P-4 is requested for subprogramme 3, Development of Pacific island countries and territories (A/60/6 (Sect. 18), para. 18.45). From the supplementary information provided, the Advisory Committee notes that this post is to strengthen the work of the ESCAP Pacific Operations Centre, based in Suva, on strategies for poverty reduction and improving livelihoods in Pacific island developing countries within the context of internationally agreed goals and targets. **The Committee recommends the establishment of this post.**

V.31 One P-2 is requested for subprogramme 7, Information, communication and space technology (ibid., para. 18.65). The Advisory Committee observes that this is offset by the abolition of one Local level post for the biennium 2006-2007. The Committee notes that this post is to strengthen the work of the subprogramme on the coordination of the regional outcomes of the World Summit on the Information Society. **The Committee recommends the acceptance of this request.**

V.32 The Advisory Committee welcomes the proposed abolition of 14 Local level posts, in addition to the abolition mentioned in paragraph V.31 above. Of these, four (1 accounting clerk and 3 registry and document clerks) are directly related to productivity gains achieved through the automation of processes and investments in information technology. The functions of the remaining 10 posts will be replaced through outsourcing arrangements, which are more cost-effective (4 information technology assistants and 6 building-maintenance technicians). The Committee encourages further measures to achieve cost-effectiveness and productivity gains. The Committee also notes that the vacancy rate for General Service staff was reduced from 8.6 per cent at the end of May 2003 to 0.4 per cent at the end of March 2005, and commends ESCAP on this achievement. Furthermore, the

Committee notes that the ratio of General Service posts to Professional posts would be reduced from 1.7 to 1.3. **The Committee commends ESCAP for this improvement, which addresses the concerns of the General Assembly on the high proportion of General Service posts relative to Professional posts in the regional commissions (see resolution 56/253, para. 72).**

V.33 A number of redeployments are proposed at ESCAP as set out in table V.4:

Table V.4
Economic and Social Commission for Asia and the Pacific: summary of redeployments under section 18

Grade	*Outward redeployment from*	*Inward redeployment to*
1 P-4	Executive direction and management	Programme support
1 P-2	Subprogramme 6, Environment and sustainable development	Subprogramme 5, Transport and tourism
1 P-3	Programme support	Executive direction and management
2 Local level	Programme support	Executive direction and management
1 Local level	Programme support	Subprogramme 3, Development of Pacific island countries and territories

V.34 The Advisory Committee notes that the average number days a post remained vacant at ESCAP was reduced from 357 in 2002-2003 to 334 in 2004-2005, and that a sharp decrease, with a target of 260 days, has been set for 2006-2007. **Even though this target number is still relatively high when compared with the vacancy periods at some of the other commissions, such as ECE and ESCWA, the Committee commends ESCAP for setting itself an ambitious target and encourages it to pursue its efforts vigorously in this area.**

Recommendations on non-post resources

V.35 The Advisory Committee notes that the number of publications has been reduced considerably, from 176 in 2002-2003 to an estimated 117 in the current biennium, with a further reduction to 106 to be effected in 2006-2007. The number of outputs, including discontinued publications, which will no longer be produced in 2006-2007 has also been considerably reduced, by 327 items, of which 50 are recurrent. **The Committee commends ESCAP for its thorough review, carried out in response to the Committee's recommendations (A/58/7, para. V.4) and those of the Office of Internal Oversight Services (see A/58/785), aimed at clearly linking outputs to specific subprogramme expected accomplishments, which will ensure that resources are focused on addressing the needs of the membership of ESCAP.**

V.36 The Advisory Committee notes that despite the reduction in the number of publications, the resource requirements for external printing have not been reduced significantly. **The Committee is of the view that in-house printing capability could be better used. The Committee was informed that many hard-copy publications are also made available electronically and that these efforts will be pursued. The Committee requests ESCAP to report on progress in this area in the proposed programme budget for the biennium 2008-2009.**

V.37 The Advisory Committee notes a sharp increase of $133,400 (26.7 per cent before recosting) under contractual services, which is due largely to support contracts for computer-related equipment. **The Committee stresses the need to coordinate closely with Headquarters on all technical matters regarding ICT infrastructure and support costs to apply institutional standards and to avoid unnecessary costs (see para. V.5 above).**

V.38 The Advisory Committee notes that the resource requirements for consultants and experts are practically at the same level as for the previous biennium, amounting to $853,800 (before recosting) under the regular budget, a decrease of $11,600, or 1.3 per cent. The extrabudgetary provision is $6,741,600, an increase of $55,800, or 0.8 per cent. Upon enquiry, the Committee was provided a list of consultancy contracts for the bienniums 2002-2003 and 2004-2005, by subprogramme, showing the nationality of the consultant, the duration of and amount paid for the service and the number of times a contract was awarded to the same consultant. From this additional information provided for the 2004-2005 biennium, the Advisory Committee notes a significant expenditure for consultancy under programme support ($64,550), higher than the amount spent under any single subprogramme during the same period. For the 2006-2007 biennium, the requirement for consultants under programme support is further increased to $82,000 (before recosting). **In the light of its recommendations and observations in paragraph V.29 above, the Committee recommends that the requirement for consultants be reduced by $85,000 (approximately 10 per cent) (before recosting).**

V.39 The Advisory Committee notes that the resources for travel of staff have been budgeted at the maintenance level and amount to $1,299,800 (before recosting). The relative requirements for travel within the subprogrammes have changed, with increases proposed for subprogrammes 2, 3, 4, 5 and 8 and programme support offset by reduced requirements under policymaking organs and subprogrammes 1, 6 and 7. Upon enquiry, the Committee was provided with information justifying the additional travel requirements requested by subprogramme, with details on the additional conferences, meetings and workshops to be attended. **While the Committee does not call into question the usefulness of any particular meeting, it maintains that travel arrangements and schedules should be reviewed carefully with a view to limiting travel requirements, and that this would lead to an overall reduction in travel-related requirements, especially in view of the investments made in ICT infrastructure for electronic communications and videoconferencing (see para. V.5 above).**

V.40 **In particular, the travel requirement requested under executive direction and management is unchanged at $277,000 (before recosting). The Advisory Committee is not convinced that all efforts have been made to limit travel and to use alternative means of communication in this area.**

V.41 **The Advisory Committee commends ESCAP for the significant projected increase in estimated extrabudgetary resources, an increase of $4,545,500, or 21 per cent, over the estimate for the current biennium, mostly from bilateral sources.** The Committee notes also that ESCAP continues to receive funding from UNDP and UNFPA, even though the amounts have decreased steadily since 2002-2003 (see para. V.3 above). The Committee was informed that funds were raised from a wide range of bilateral donors, including, for example, the Asian Development Bank, as well as from a number of Governments.

V.42 The Advisory Committee notes from A/60/6 (Sect. 18), paragraph 18.18, that resources identified for the conduct of monitoring and evaluation in accordance with General Assembly resolution 58/269 are requested from both regular budget ($450,200) and extrabudgetary sources ($375,500). The Committee further notes that the resource requirements have been presented at the subprogramme level. All the units will undergo training to increase their capacity for self-evaluation. **The Committee commends ESCAP for its efforts to carry out this activity in a systematic, comprehensive manner. The Committee requests ESCAP to report on its activities in this area in the proposed programme budget for the biennium 2008-2009.**

Other comments and recommendations

V.43 During its visit to ESCAP in June 2004, the Advisory Committee was impressed by its rapid embracing of the results-based model and the reforms undertaken to support the process. In 2002, ESCAP had decided to revise its conference and programme structures and focus its work on three thematic priorities, namely, poverty reduction, managing globalization and addressing emerging social issues. The Committee commended the Executive Secretary for the role he had played in advocating the reform and for the bold initiatives he had undertaken to restructure the secretariat of the commission by reallocating posts to reflect the programme priorities as well as to improve performance through the application of results-based programme and project planning, budgeting, management, monitoring and evaluation.

V.44 The Advisory Committee also remarked the clear advance of ESCAP in the use of information-technology applications to support the implementation of the results-based approach and for effective management. The Committee was particularly interested in e-TC, an electronic database of technical cooperation projects that served as a central point where all information about a project was located, including electronic copies of documents relating to projects. The e-TC database provided an up-to-date, easy-to-use overview of technical cooperation projects and was available in all offices throughout the secretariat. It allowed management to monitor project milestones and budgetary delivery more effectively, but also provided a “warning bell” which quickly identified delays in project implementation.

V.45 In Cambodia, the Advisory Committee noted a rural poverty-reduction project based on a model which consisted of identifying leaders in communities and training them to formulate poverty-reduction programmes themselves. The concept was designed to ensure direct input and thereby “customize” the projects to the specific needs of the community rather than impose a formula that had been developed by assistance officials — in short, a demand-driven rather than supply-driven model.

V.46 These examples show clearly that the experience of ESCAP could have provided valuable lessons learned to other entities undergoing similar processes. No doubt similar, innovative approaches are being applied in other commissions that could benefit all the regional commissions.

Section 19
Economic development in Europe

Proposal submitted by the Secretary-General	$58,586,300*
Revised appropriation for 2004-2005	$54,761,800
Projected extrabudgetary resources	$13,467,000†

A summary of the proposals of the Secretary-General for regular budget posts by budget section is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade level is contained in annex I to the present report.

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* At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

† The figure is $14,746,100 as at 16 June 2005.

Recommendations on posts

V.47 The Advisory Committee notes that regular-budget staff levels would remain unchanged and that extrabudgetary posts would be reduced by one P-5. **The Committee notes that new workload requirements for the 2006-2007 biennium would be addressed through internal redeployments of staff and commends ECE for a more cost-efficient use of resources and increased flexibility in responding to changing requirements.**

Table V.5
Economic Commission for Europe: summary of redeployments under section 19

Grade	*Outward redeployment from*	*Inward redeployment to*
1 General Service	Subprogramme 3, Statistics	Subprogramme 1, Environment
1 P-2	Subprogramme 3, Statistics	Programme support
1 P-4	Subprogramme 3, Statistics	Subprogramme 9, Industrial restructuring and enterprise development
1 P-3	Subprogramme 9, Industrial restructuring and enterprise development	Subprogramme 3, Statistics
1 P-3	Subprogramme 4, Economic analysis	Subprogramme 2, Transport

V.48 The Advisory Committee notes that the P-2 post redeployed from subprogramme 3, Statistics, to programme support was for an associate information systems officer. Upon enquiry, the Committee was informed that standard services such as e-mail and Internet were provided by the United Nations Office at Geneva, but that ECE had its own team to develop and maintain specialized information systems.

Recommendations on non-post resources

V.49 The Advisory Committee notes that 313 outputs produced in 2004-2005, including meetings and publications, would be discontinued in 2006-2007. The number of publications would be reduced from an estimated 200 in 2004-2005 to 164, including 8 recurrent publications. The Committee was informed that a greater number of publications are now available in electronic form and that this number will continue to increase. The number of publications available in hard-copy format only would be reduced to 72 (44 per cent of the estimated total number of publications), as compared with an estimated total of 102 for 2004-2005. **Given the highly developed communications infrastructure in the European region, it appears to the Committee that the electronic dissemination of publications could be increased rapidly without posing major difficulties.**

V.50 Despite a decrease of $22,400 (6.7 per cent) under contractual services due to reduced requirements for external printing, the Advisory Committee notes from the additional information provided to it that the total requirement for external printing under the regular budget still amounts to $159,100 (before recosting). Given the considerable capacity of the United Nations Office at Geneva publishing facility, the Committee questions the need for this level of resources for external printing. The Committee was informed, upon enquiry that recourse to external printing was still required since certain forms of publications, such as special maps and CD-ROMs in multiple searchable languages, could not be produced at the United Nations Office at Geneva. **The Committee welcomes the projected increase in internal printing planned for the 2006-2007 biennium and requests ECE to limit the use of external printing to exceptional cases. The Committee requests ECE to report on progress in this area in the proposed programme budget for the biennium 2008-2009.**

V.51 Requirements for travel of staff, estimated at $663,700 (before recosting), show a growth of $30,300, or 4.8 per cent, over the appropriation of $633,400 for biennium 2004-2005. The Advisory Committee notes that higher amounts are requested under executive direction and management ($15,800), subprogramme 3, Statistics ($9,100) and programme support ($5,400). Upon enquiry, the Committee was provided with additional information on the travel requirements under executive direction and management, which amount to $218,600 (before recosting). It was informed that the increase was attributable to the need for additional travel to Central Asia, where ICT connectivity is not highly developed. **Nevertheless, in the light of the recent investments in ICT and videoconferencing infrastructure and the improved connectivity of United Nations offices worldwide, the Committee is of the opinion that resources for travel should be decreasing rather than increasing. It requests that all efforts be made to limit travel, to combine trips and to use alternative methods of communication whenever possible. Savings should be reported in the next performance report.**

V.52 The Advisory Committee points out that the information provided in the summary of follow-up action taken to implement the relevant recommendations of the oversight bodies on the use of videoconferencing was confusing and incomplete (see A/60/6 (Sect. 19), table 19.29). From additional information provided to it, the Committee notes that the number of videoconferences initiated by ECE has been growing steadily, from 41 in 2003 (total duration of 4,680 minutes) to an estimated 90 in 2005 (total duration of 12,000 minutes), and that these figures do not include all the videoconferences in which ECE participates. **The Committee welcomes this progress and requests ECE to report on the use of videoconferencing and other means of electronic communication in the proposed programme budget for the biennium 2008-2009.**

V.53 The Advisory Committee notes that a total of $1,025,800, including $6,500 from extrabudgetary funds, is identified for the conduct of monitoring and evaluation in accordance with General Assembly resolution 58/269, reflected under executive direction and management and under each subprogramme (ibid., para. 19.17). The Committee was informed that the evaluation would cover programme outputs, including publications, meetings and workshops, and that efforts would be made to involve staff and intergovernmental bodies through mechanisms such as surveys. The findings of the evaluation would be used to adjust the programme and methods of work and would be reported in programme performance reports. **The Committee commends ECE for its comprehensive response to the request of the General Assembly.** The Committee recalls that in its previous report it had already expressed its appreciation for the thorough and proactive review undertaken of the ECE meetings and publications programme (see A/58/7, para. V.54). **The Committee points out that other commissions could benefit from the experience and expertise of ECE in formulating a common policy and standard methodology for monitoring and evaluation for all regional commissions. The Committee reiterates the need to actively exchange best practices, lessons learned and tools developed among the regional commissions.**

V.54 Concerning resources requested for consultants and experts, the Advisory Committee notes that this expenditure has been budgeted at the level of the 2004-2005 revised estimates. In certain cases, it appears that funds are simply shifted from one subprogramme to another; for example, the amount of $36,900 is moved from executive direction and management to subprogramme 4, Economic analysis, and $4,500 goes from subprogramme 9, Industrial restructuring and enterprise development, to subprogramme 8, Human settlements. **The Committee considers this type of "routine" budgeting method inappropriate for this object of expenditure, the budget for which should be determined on a case-by-case basis and limited to specific activities for which necessary expertise is not available in-house. The Advisory Committee requests that special attention be paid to this matter and that the United Nations regulations on the use of consultants be applied strictly.**

V.55 The estimates presented for extrabudgetary requirements for 2006-2007, at $13,467,000, indicate a downward trend from the estimates for 2004-2005, which amount to $16,175,900. From the more recent information provided to it, the Committee notes that the new estimate for extrabudgetary resources for the 2006-2007 biennium, as at 16 June 2005, is $14,746,100. The Committee is concerned that UNDP and UNFPA appear to have withdrawn their funding of ECE. **The Committee urges ECE to vigorously pursue its efforts to raise extrabudgetary**

funds and to report on the progress and/or difficulties experienced in this area in the proposed programme budget for the biennium 2008-2009.

V.56 The Advisory Committee notes that the provision of $1,363,900 (before recosting) for grants and contributions reflects a decrease of $30,000 due to reduced requirements for services provided by the International Computing Centre.

Section 20
Economic and social development in Latin America and the Caribbean

Proposal submitted by the Secretary-General	$92,717,400*
Revised appropriation for 2004-2005	$85,371,400
Projected extrabudgetary resources	$19,285,400

A summary of the proposals of the Secretary-General for regular budget posts by budget section is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade level is contained in annex I to the present report.

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* At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

Recommendations on posts

V.57 Seven new Professional posts are proposed in order to strengthen support and capacity at the subregional and country levels:

(a) One P-4 for subprogramme 3, Macroeconomic policies and growth (A/60/6 (Sect. 20), para. 20.48);

(b) One P-2 for subprogramme 3, Macroeconomic policies and growth (ibid.);

(c) One P-2 for subprogramme 4, Social development and equity (A/60/6 (Sect. 20), para. 20.54);

(d) One P-3 for subprogramme 6, Population and development (ibid., para. 20.64);

(e) One P-2 for subprogramme 6, Population and development (ibid.);

(f) One P-2 for subprogramme 8, Environment and human settlements (A/60/6 (Sect. 20), para. 20.74);

(g) One P-2 for subprogramme 11, Subregional activities in Mexico and Central America (ibid., para. 20.90).

V.58 The Advisory Committee notes that the establishment of these seven new Professional posts is offset by the abolition of 10 local posts, resulting in a net reduction of three posts. The 10 posts proposed for abolition include one under subprogramme 2, two under subprogramme 9, one under subprogramme 10 and six under programme support. The Committee requested but was not provided with further information on the rationale for abolishing these posts. This information should be provided to the Fifth Committee.

V.59 Upon request, the Advisory Committee was provided additional information on the functions of the requested new posts. **In view of the need to strengthen support and capacity at the subregional level and the need to increase the institutional and technical capacity of countries in areas which have been assigned a high priority by the membership of ECLAC, the Committee recommends the acceptance of these proposals.**

V.60 **The Advisory Committee recalls that in addition to the requirements outlined above, two additional posts had been authorized by the General Assembly for 2004-2005 (see resolution 58/270). At the same time, increased requirements under consultants and experts are also being requested. In the opinion of the Committee, the establishment of additional Professional posts strengthens the in-house capacities of the Commission and should lead to reduced requirements for consultants.**

V.61 The Advisory Committee notes that the overall vacancy rate is 7.3 per cent and that the vacancy rate for General Service staff is even higher, at 8.7 per cent, representing 25 posts. The Advisory Committee was informed that of these 25 posts, 18 are vacant due to the retirement of the previous incumbents, who could not be replaced as a consequence of the freeze on the hiring of General Service staff.

V.62 A considerable number of redeployments are also requested and summarized in table V.6. **The Advisory Committee welcomes the serious efforts that have been made to reallocate resources to priority areas through redeployment.**

Table V.6

Economic Commission for Latin America and the Caribbean: summary of redeployments under section 20

Grade	*Outward redeployment from*	*Inward redeployment to*
1 P-5	Subprogramme 3, Macroeconomic policies and growth	Subprogramme 8, Environment and human settlements
1 P-4	Subprogramme 6, Population and development	Subprogramme 3, Macroeconomic policies and growth
3 Local level	Subprogramme 9, Natural resources and infrastructure	Subprogramme 1, Linkages with the global economy, regional integration and cooperation
1 P-3	Subprogramme 10, Statistics and economic projections	Subprogramme 1, Linkages with the global economy, regional integration and cooperation
1 P-4	Subprogramme 11, Subregional activities in Mexico and Central America	Subprogramme 3, Macroeconomic policies and growth

Grade	*Outward redeployment from*	*Inward redeployment to*
1 P-2	Programme support	Subprogramme 12, Subregional activities in the Caribbean
1 P-4	Programme support	Subprogramme 3, Macroeconomic policies and growth

Recommendations on non-post resources

V.63 The Advisory Committee notes, following the review of outputs in the context of each subprogramme, that an estimated 505 outputs produced in 2004-2005 will be discontinued in 2006-2007. Of these 505 discontinued outputs, 216 are publications, down from an estimated 362 in 2004-2005. The number of recurrent publications would be reduced from 196 in 2004-2005 to 98 in 2006-2007. The Committee welcomes the progress made. It points out, however, that the list of publications to be issued in the 2006-2007 biennium was not included in the supplementary information provided to it. However, detailed information was subsequently supplied upon request.

V.64 The Advisory Committee notes that, in accordance with General Assembly resolution 58/269, resources requested for the conduct of monitoring and evaluation amount to $1,444,600 from the regular budget and $231,700 from extrabudgetary resources. **The Committee welcomes the efforts made to incorporate evaluation plans for all the substantive subprogrammes.** The Committee was also informed that a comprehensive, in-depth review of subprogramme 3, Macroeconomic policies and growth, will be undertaken, aimed at evaluating the quality of service provided.

V.65 An increase of $57,900, or 5.2 per cent, is proposed under consultants and experts, bringing the total requirement up to $1,180,300 (before recosting) for the 2006-2007 biennium, from $1,122,400 for 2004-2005. **In the opinion of the Advisory Committee, the level of resources allocated for consultants was already considerable before the latest increase. The Committee questions the need for this level of resources and trusts that the strict application of procedures will result in savings.**

V.66 From additional information provided upon request, the Advisory Committee notes that of the total regular budget resources under this item for the 2004-2005 biennium ($1,122,400), a larger share ($663,300, or 59 per cent) was used for consultants than for expert groups ($459,100, or 41 per cent). This breakdown is not available for the extrabudgetary funds, which represent nearly all of the total expenditure. **In the opinion of the Committee, a clear distinction should be made between resource requests for expert groups and those for consultants, which are sometimes used to supplement existing staff resources without adequate justification (see A/58/7, para. 93). While the use of consultants may be justified in situations where they provide technical expertise, it appears to the Committee that there is a tendency to request consultancy funds to supplement existing staff resources.** For example, it is not clear why a consultant is required to evaluate the language-training programme when the United Nations possesses considerable in-house expertise in this area.

V.67 The Advisory Committee also notes, for example, that despite the reinforcement of subprogramme 3 with two new posts and four inward deployments, the requirement for consultants is projected to grow by $10,200, or 11.1 per cent. In the majority of cases, the consultants for the various subprogrammes are requested to provide inputs for reports and studies and specialized expertise not available at ECLAC. **In the opinion of the Committee, efforts should be made to acquire the necessary expertise within ECLAC, especially in the core programmatic areas.**

V.68 The Advisory Committee notes with satisfaction that the number of videoconferences increased by 60 per cent, from an average of 22 per month in 2004 to an average of 35 per month in 2005. The Committee was informed that this had significantly improved coordination with the subregional offices. The Committee welcomes this progress and notes that the resources requested for travel of staff have decreased slightly, by $20,300, or 1.3 per cent. **The Committee expects that the increased use of videoconferencing will have a more significant impact on travel requirements in the coming biennium and requests ECLAC to report on progress in this area in the proposed programme budget for the biennium 2008-2009.**

V.69 On a related matter, the Committee notes an increase of $155,000 for communications costs, due in part to the increased use of videoconferencing resulting in long-distance charges. **In this regard, the Committee urges ECLAC to contain costs through better use of the available ICT infrastructure.**

V.70 The Advisory Committee notes that at $19,285,400, the overall level of extrabudgetary resources for the 2006-2007 biennium is showing a projected decrease of $2,480,100 at this stage. However, even though the funding from UNDP and UNFPA has decreased, it has not been withdrawn completely, as is the case in some other commissions (see para. V.3 above). **The Committee urges ECLAC to vigorously pursue its fund-raising efforts and to report on the progress in this area in the proposed programme budget for the biennium 2008-2009.**

V.71 The Advisory Committee was informed that the ECLAC medical clinic serves a variety of non-ECLAC personnel. Upon enquiry, the Committee was provided additional information which indicated that emergency services were provided to visitors, conference attendees and interns free of charge, and that limited medical services were provided to staff members of other United Nations agencies and to Chilean soldiers on peacekeeping missions on a charge-back basis.

Section 21
Economic and social development in Western Asia

Proposal submitted by the Secretary-General	$53,651,000*
Revised appropriation for 2004-2005	$50,995,600
Projected extrabudgetary resources	$4,271,200

A summary of the proposals of the Secretary-General for regular budget posts by budget section is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade level is contained in annex I to the present report.

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* At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

Recommendations on posts

V.72 The establishment of four Professional posts is proposed as set out below. The additional posts would be offset by the abolition of five posts, including three Local level posts under subprogrammes 1 and 5 and programme support, and two Field Service posts under programme support. **Taking into account the reasons provided in the proposed programme budget, the Advisory Committee recommends the acceptance of the following proposals for posts:**

(a) One P-1/2 for subprogramme 1, Integrated policies for the management of regional resources for sustainable development (A/60/6 (Sect. 21), para. 21.27);

(b) One P-3 for subprogramme 3, Economic analysis and forecasting for regional development (ibid., para. 21.35);

(c) One P-2/1 for subprogramme 3, Economic analysis and forecasting for regional development (ibid.);

(d) One P-3 for subprogramme 7, Advancement and empowerment of women (A/60/6 (Sect. 21), para. 21.51).

V.73 **The Advisory Committee welcomes the reduction in the number of days taken to complete the recruitment process, from 190 days during the 2002-2003 period to 114 days in 2004-2005. The Committee notes that this is below the organizational target of 120 days and commends ESCWA on this achievement.**

V.74 A significant change under ESCWA is the introduction of the new subprogramme 7, Advancement and empowerment of women. The Advisory Committee notes that this new subprogramme would be staffed essentially through a series of redeployments and the establishment of one new P-3 post. The Committee welcomes this example of efficient management and judicious use of resources. A summary of the redeployments proposed is provided in table V.7.

Table V.7

Economic and Social Commission for Western Asia: summary of redeployments under section 21

Grade	*Outward redeployment from*	*Inward redeployment to*
1 P-5	Subprogramme 1, Integrated policies for the management of regional resources for sustainable development	Subprogramme 3, Economic analysis and forecasting for regional development
1 P-4	Subprogramme 1, Integrated policies for the management of regional resources for sustainable development	Subprogramme 3, Economic analysis and forecasting for regional development
1 Local level	Subprogramme 1, Integrated policies for the management of regional resources for sustainable development	Subprogramme 7, Advancement and empowerment of women

Grade	*Outward redeployment from*	*Inward redeployment to*
1 P-5	Subprogramme 2, Integrated social policies	Subprogramme 7, Advancement and empowerment of women
1 P-5	Subprogramme 2, Integrated social policies	Programme support
1 P-2/1	Subprogramme 2, Integrated social policies	Subprogramme 7, Advancement and empowerment of women
1 Local level	Subprogramme 2, Integrated social policies	Subprogramme 7, Advancement and empowerment of women
1 P-4	Subprogramme 5, Information and communication technology for regional integration	Subprogramme 7, Advancement and empowerment of women
1 P-3	Programme support	Subprogramme 7, Advancement and empowerment of women
2 Local level	Programme support	Subprogramme 7, Advancement and empowerment of women

V.75 The Advisory Committee notes that ESCWA plans to redeploy one P-5 post from subprogramme 1 to programme support, where there are already five P-5 posts. **The Committee is concerned about resources being shifted from substantive areas to programme support.** The Committee was informed that the administrative and support services of ESCWA were heavily burdened with additional demands from other United Nations entities and temporary United Nations missions in Lebanon. ESCWA provides a variety of services to these missions and entities, such as movement control, accommodation, travel, communications, IT support, translation, procurement, payments and medical services. The Committee recognizes the additional workload these support functions can represent. **Nevertheless, as a matter of principle, the Committee requests that ESCWA consider alternative options, such as increased cooperation with the host-country authorities.**

Recommendations on non-post resources

V.76 As a result of the review of the programme of work of each subprogramme, the number of outputs would be reduced by 45 (19 per cent), from 239 in 2004-2005 to 194 in 2006-2007, including 47 publications of which 29 are recurrent. The Advisory Committee was informed that during 2004-2005, ESCWA increased the number of electronic publications and that the shift from hard-copy to electronic format would be carried out gradually and in consultation with the target beneficiaries in the region. The Committee requests that ESCWA report on progress in this area in the proposed programme budget for the biennium 2008-2009.

V.77 The Advisory Committee notes that the resources allocated for monitoring and evaluation, in accordance with General Assembly resolution 58/269, amount to $476,817 (see A/60/6 (Sect. 21), para. 21.15). The Committee is pleased to note that ESCWA plans to work with the guidance of the Office of Internal Oversight

Services to strengthen its capacity in this area. **The Committee welcomes this approach, based on the utilization of internal capacity where it exists.**

V.78 The Advisory Committee notes that extrabudgetary resources are estimated at $4,271,200, an increase of $554,800 over the estimate of $3,716,400 for 2004-2005. Funding from United Nations funds and programmes, including UNDP, UNFPA, the United Nations Educational, Scientific and Cultural Organization, the International Labour Organization (ILO) and the United Nations Development Fund for Women, appears to have been withdrawn at this stage, but is offset by a considerable increase from multilateral and bilateral sources. As indicated in A/60/6 (Sect. 21), paragraph 21.12, due to the particular situation of the region, ESCWA has always found it difficult to estimate in advance the level of extrabudgetary resources that may be contributed for its activities in the future. Owing to the uncertainty regarding these extrabudgetary funds, ESCWA plans to recruit short-term staff to provide support for individual projects rather than request resources for ongoing temporary posts for the 2006-2007 biennium. The Committee was informed that ESCWA has launched a fund-raising campaign, including numerous fund-raising actions such as regular donor conferences. **The Committee welcomes these efforts and requests that ESCWA report on progress in this area in the proposed programme budget for the biennium 2008-2009.**

V.79 The Advisory Committee notes a considerable increase under grants, from $93,900 in 2004-2005 to $252,200 (before recosting), an increase of $158,300, or 169 per cent. The Committee was informed that this provision was required for the funding of the part-time medical services of an external doctor. **While the Committee understands that this service is necessary, arrangements for the provision and cost-sharing of medical services should be worked out in a transparent manner, a priori.**

Section 22
Regular programme of technical cooperation

Proposal submitted by the Secretary-General	$44,860,000
Revised appropriation for 2004-2005	$42,871,500

V.80 **The Advisory Committee points out that some of the fundamental questions raised in its previous report (A/58/7, paras. V.89-V.90) on the procedures for budgeting, performance review, accountability and oversight of the regular programme of technical cooperation, as well as its recommendation that the regular programme of technical cooperation and the Development Account be combined into a single section with distinct parts (ibid., para. V.91), were addressed in the report of the Secretary-General on the review of the regular programme of technical cooperation and the Development Account (A/59/397), which also made proposals for possible improvement. The comments of the Committee on that review are presented below.**

V.81 The Advisory Committee notes that the resource requirements proposed for 2006-2007 are at the same level as those approved for the biennium 2004-2005, amounting to $42,871,500 (before recosting). These resources are proposed for 2,232 work-months of regional and interregional advisory services.

V.82 **With regard to the budget fascicle submitted for 2006-2007, rather than reiterating its observations on the weakness of the presentation of the expected accomplishments and indicators of achievement and other aspects, some of which are inherent in the very nature and structure of the programme, the Advisory Committee is of the opinion that the proposals submitted by the Secretary-General should be acted upon in order to provide the programme with a clear mandate and framework for planning, monitoring and reporting on its activities.**

V.83 **The Advisory Committee refers the estimates under section 22 to the General Assembly for appropriate action.**

V.84 The report of the Secretary-General on the review of the regular programme of technical cooperation and the Development Account (A/59/397) was prepared in accordance with paragraphs 48 and 58 of General Assembly resolution 58/270; in paragraph 48 of that resolution the Secretary-General was requested to "undertake a fundamental and comprehensive review of the regular programme of technical cooperation and to make appropriate proposals to the General Assembly at its fifty-ninth session". The Advisory Committee had called for a similar review in paragraph V.90 of its first report on the proposed programme budget for the biennium 2004-2005.[4]

V.85 **The Advisory Committee commends the Secretary-General for producing a thorough, objective report, presenting a critical analysis on a broad spectrum of issues concerning the Development Account and the regular programme of technical cooperation, their strengths and their weaknesses.** With regard to the regular programme of technical cooperation, the issues covered include an outline of the legislative history of the programme, a description of its operating modalities, an exposé of strategic issues to be considered, such as the relevance of the programme in today's context, and, finally, proposals for adapting the structure, mandate, reporting and auditing requirements of the programme, as well as an evaluation of the impact of the options proposed. The report further briefly examines the implications of combining the regular programme of technical cooperation and the Development Account into a single budget section.

V.86 The Advisory Committee recalls that the regular programme of technical cooperation was initially established by the General Assembly in its resolution 58 (I) of 14 December 1946, which authorized the Secretary-General to include in the regular budget of the United Nations funds for the provision of technical assistance requested by developing countries in the area of social welfare programmes. The programme was subsequently expanded through successive General Assembly resolutions to include a variety of other sectoral components, such as public administration and human rights, as well as regional advisory services. Initially, technical cooperation projects had to be approved by the Economic and Social Council, but the programming and budgetary procedures were modified by General Assembly resolution 2514 (XXIV) of 21 November 1969, which delegated the authority to approve new projects to the Secretary-General. This authority was further delegated to the implementing offices, thereby allowing increased flexibility in responding to requests for services. Extensive guidelines and criteria for the use of technical cooperation funds were developed by the Secretariat in 1980 and endorsed by the Governing Council of UNDP. The guidelines stipulate, inter alia, that emphasis must be placed on using regular programme of technical cooperation resources for assisting least developed countries, to fill gaps where funds from other sources are insufficient, on activities of a limited duration and on projects of an innovative character, the results of which can be given wider application and produce a multiplier effect. The full criteria are provided in annex I of the Secretary-General's review (A/59/397).

V.87 The Secretary-General's review identifies serious weaknesses in the programme, some of which have already been pointed out by the Advisory Committee. Among the most significant weaknesses exposed are the absence of a single programme manager for the regular programme of technical cooperation who is accountable to the General Assembly; the absence of proper mechanisms for setting priorities, approving projects and allocating resources; and the difficulty in enforcing the application of uniform procedures across a dozen implementing entities. Of further concern is the absence of means for assessing the effectiveness of the programme and evaluating its activities, given that the biennial programme performance report does not include a separate section for the regular programme of technical cooperation, even though some of the implementing entities report on technical cooperation activities in their overall programme performance reports.

V.88 **The Advisory Committee recognizes that some of these difficulties are inherent to the very nature and structure of the programme, which is geared to responses to requests from Member States that cannot be precisely planned and which does not report on its activities to the General Assembly. However, certain anomalies have crept into the functioning of the programme over the years, in particular in connection with the question of the proper use of advisers, which constitute the main instrument of the regular programme of technical cooperation and account for the major part of the resources consumed by the programme. For example, in some cases, advisers have been under contract for prolonged periods through recurring short-term contracts, with their functions and those of staff becoming increasingly blurred; or they may even be used to fill staff positions for which regular funds do not exist.**

V.89 As noted above, the funds available for the regular programme of technical cooperation are overwhelmingly utilized for advisory services, which take the form of high-cost international positions located at various duty stations. Upon enquiry, the Advisory Committee was informed that although the focus on advisers had taken root over the years, other ways of using the funds are permitted.

V.90 From the additional information provided upon request, the Advisory Committee notes that the number of advisers has been reduced slightly, from 80 in 1987 to 76 currently. Of these 76 advisers, 11 have been with the regular programme of technical cooperation for a period of more than 10 years, 13 between 5 and 10 years and the remaining 52 for less than 5 years.

V.91 **In the opinion of the Advisory Committee, these issues must be addressed urgently to bring the focus of the programme back to its original purpose, taking into account the current context and the changes which have taken place in the area of technical cooperation and development since its inception.** In this context, careful thought must be given to clarifying the mandate of the programme and to incorporating it into the debates on relevant programmatic themes. **Since the programme is characterized by small-scale activities, in the view of the Committee, organs or other intergovernmental bodies such as the Economic and Social Council, the Second Committee, the Third Committee or the**

Committee for Programme and Coordination would be the most appropriate bodies to provide guidance to the programme to allow it to situate itself more clearly among the variety of technical cooperation mechanisms of the United Nations system.

Part VI
Human rights and humanitarian affairs

Section 23
Human rights

Proposal submitted by the Secretary-General	$67,493,200*
Revised appropriation for 2004-2005	$64,571,300
Projected extrabudgetary resources	$111,579,600

A summary of the proposals of the Secretary-General for regular budget posts by budget section is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade level is contained in annex I to the present report.

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* At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

Recommendations on posts

VI.1 The proposed programme budget for 2006-2007 contains a number of proposals for restructuring the Office of the United Nations High Commissioner for Human Rights (OHCHR), based on recommendations of the Office of Internal Oversight Services in its report on the management review of OHCHR (see A/57/488).

VI.2 The Office of Internal Oversight Services recommendations were formulated around the need to develop a strategy for guiding priority choices, for strengthening the management capacity of OHCHR, for adapting the organizational structure to be more functional with clear reporting lines and for streamlining and rationalizing the administrative units and processes. The conclusions of this review were noted by the General Assembly in its resolution 57/313 and were subsequently referred to by the Joint Inspection Unit in its report contained in A/59/65-E/2004/48. The Advisory Committee was informed that the delays in implementing the Office of Internal Oversight Services recommendations were due largely to the long period of uncertainty and transition undergone by OHCHR following the mission assignment to Iraq and subsequent tragic death of the previous High Commissioner in August 2003.

VI.3 The restructuring proposed by OHCHR is in line with the recommendations of the Office of Internal Oversight Services and includes the following changes:

(a) Creation of a management cluster under the direct supervision of the Deputy High Commissioner including the Administration and Management Service, a Planning, Monitoring and Evaluation Unit, a Resource Mobilization Unit and a Public Information Unit. The areas of financial management, general administration, recruitment and staff administration, logistical and administrative support for field offices and operations and information technology would be overseen by a manager at the D-1 level. The Office of the High Commissioner would also be streamlined and less top-heavy, with the outward redeployment of the Assistant Secretary-

General, one P-4 and two General Service staff to the new Office of the Deputy High Commissioner;

(b) Creation of the Operations, Programmes and Research Division, headed by a director at D-2 level. The Division would comprise the Research and Right to Development Branch and the Capacity-Building and Field Operations Branch, which share common elements, such as field presence and technical cooperation activities. It is hoped that their grouping under a single director will strengthen interaction and avoid duplication;

(c) Creation of the Human Rights Procedures Division, which will group the Special Procedures Branch and the Treaties and Commission Branch under a senior manager at the D-2 level. All special procedures would be consolidated under a single branch.

VI.4 **In the opinion of the Advisory Committee, the restructuring proposed by OHCHR presents a credible first approach towards resolving the weaknesses exposed in the review of the Office of Internal Oversight Services. The creation of two divisions through the regrouping of substantive branches, each headed by a senior manager, should provide the necessary strategic direction, coherent programme implementation and coordination, and improved management of the large and diverse numbers of staff and units. The creation of a management cluster under the responsibility of the Deputy High Commissioner utilizes this Assistant Secretary-General-level post more fully, as recommended by the Office of Internal Oversight Services, and also addresses the issues of fragmentation of administrative and information technology functions through the creation of consolidated units. The Committee further notes that the creation of a D-1 post in the management cluster will ensure improved oversight and management in the areas of operations, general administration, recruitment and staff administration, logistical and administrative support for field offices, information technology and financial management.**

VI.5 The Advisory Committee points out that when compared with that of other departments, the current senior post structure of OHCHR is lean. At present, 84 per cent of staff are at or below the P-4 level, 12 per cent at the P-5 level and 4 per cent at D-1 and above. The Committee welcomes the structure proposed for the offices of two heads of division, each composed of one D-2 and one General Service support staff member, and the indication that these offices are dedicated to coordination and reporting line functions. **The Committee trusts that these offices will be maintained as described above and will not be filled in with additional layers of staff whose functions duplicate others or would be better performed in operational units.**

VI.6 **The Advisory Committee appreciates the efforts of OHCHR and its senior management to address the structural weaknesses of the programme identified by the Office of Internal Oversight Services, although a number of recommendations remain outstanding. It requests OHCHR to address the remaining recommendations expeditiously, identifying those that have been overtaken by events. In the view of the Committee, the current proposals constitute an important first step towards the comprehensive plan of action for implementing all outstanding recommendations of internal and external reviews called for in the review of the Office of Internal Oversight Services**

(see A/57/488, para. 76). The results achieved and lessons learned from this first phase will facilitate the elaboration of such a comprehensive plan of action.

VI.7 **The Advisory Committee is also mindful of the upcoming discussions in September 2005 on the reforms proposed in the Secretary-General's report "In larger freedom: towards development, security and human rights for all" (A/59/2005) (see chap. I above). However, it considers the current proposals to be free-standing in that they address structural weaknesses of OHCHR which need to be remedied as soon as possible, regardless of the outcome of the September discussions. In the opinion of the Committee, the successful implementation of these measures will strengthen the management and administration of OHCHR and better prepare it to undertake such new reforms as may be agreed upon.**

VI.8 Accordingly, the Advisory Committee recommends the approval of the following posts:

(a) One D-2 for subprogramme 1, Human rights mainstreaming, right to development, research and analysis (A/60/6 (Sect. 23), para. 23.45);

(b) One D-2 for subprogramme 2, Supporting human rights bodies and organs (ibid., para. 23.55);

(c) One D-1 for Programme support (ibid., para. 23.75).

VI.9 One P-4 post under subprogramme 1, Human rights mainstreaming, right to development, research and analysis (ibid., para. 23.45), is proposed for a human rights officer in the Research and Right to Development Branch. The Advisory Committee points out that a new P-4 post was established under this subprogramme in the biennium 2004-2005 and requests that efforts be made to ensure that there is no duplication between the functions of these posts. It also draws attention to its observation on cooperation with UNCTAD in paragraph VI.19 below. **Subject to the foregoing, and on the basis of the information provided, the Committee has no objection to this proposal.**

VI.10 Two P-3 posts under subprogramme 4, Support for human rights thematic fact-finding procedures (ibid., para. 23.69), are proposed for conversion from temporary assistance as part of the continued efforts to regularize permanent functions. **The Advisory Committee recommends acceptance of these proposals.**

VI.11 The Advisory Committee notes that one P-4 would be redeployed from subprogramme 3, Advisory services, technical cooperation and field activities, to subprogramme 1, Human rights mainstreaming, right to development, research and analysis.

VI.12 The Advisory Committee recalls that the General Assembly had approved the establishment of six posts (1 D-1, 2 P-5, 3 P-4), as well as the conversion of five temporary posts, including one P-5, one P-4 and one P-3, for the Centre for Human Rights and Democracy in Central Africa, in Cameroon, and two P-3 posts located in Geneva for subprogramme 3 for the biennium 2004-2005. The Committee was informed that of these 11 posts, all except one of those that are located in Geneva have been filled. However, OHCHR is experiencing difficulties in filling the three posts of the Centre for Human Rights and Democracy in Central Africa. The supplementary information provided to the Advisory Committee indicates that the three converted posts were budgeted in 2004-2005 at 50 per cent of costs. The

Committee questions the reasons for a delayed deployment factor for converted posts.

VI.13 The Advisory Committee notes that vacancy rates had increased from 11.9 per cent (Professional) and 0 per cent (General Service) at the end of May 2003 to 13.3 per cent and 7 per cent, respectively, at the end of March 2005. This situation is also reflected in the performance measures for the average number of post vacancy days under executive direction and management (see A/60/6 (Sect. 23), table 23.7) which increased from 180 days in 2002-2003 to 230 in 2004-2005. The Committee was informed that this was to some extent a consequence of the state of transition and uncertainty of OHCHR in recent years (see para. VI.2 above), resulting in an overall lack of clarity, which has had an impact on the planning and decision-making process. The recruitment process at OHCHR is serviced essentially by the United Nations Office at Geneva, which itself has limited capacity and has had difficulties adjusting to Galaxy, and by the United Nations Office for Project Services (UNOPS), which manages five field offices, including 51 staff. **The Committee urges OHCHR to vigorously pursue its efforts to improve its own procedures and performance in this area, and to work closely with the United Nations Office at Geneva and UNOPS on improving the quality of the support provided. The Committee requests that OHCHR report on the progress made in the next proposed programme budget.**

VI.14 Concerning imbalances in the geographical distribution of OHCHR staff, which is heavily skewed towards one group of contributing Member States, the Advisory Committee was informed that OHCHR is committed to correcting this imbalance and to ensuring that the staff composition reflects the cultural diversity of the population it serves. **The Committee trusts that concrete progress will be made to achieve geographic balance and requests that OHCHR report on progress in this area in the next proposed programme budget.**

Recommendations on non-post resources

VI.15 Reductions are proposed under a number of objects of expenditure, including, for example, $1,562,200 (40.6 per cent) under other staff costs, $808,400 (55.3 per cent) under consultants and experts, $597,100 (24.6 per cent) under travel of staff, $365,900 (27.9 per cent) under general operating expenses, $206,400 (45.8 per cent) under contractual services and $226,100 (37.7 per cent) under furniture and equipment. The Advisory Committee was informed that these were due to the streamlining of processes as a result of the implementation of the recommendations of the oversight bodies and the discontinuation of non-recurrent activities, such as the International Commission of Inquiry on Darfur and the International Commission of Inquiry for Côte d'Ivoire.

VI.16 The Advisory Committee is concerned about the inappropriate use of the line of expenditure under consultants and experts to pay for activities related to the servicing of meetings, such as translation and editing. These should be covered from contractual services or general temporary assistance. Funds under consultants and experts should be used only for expertise which is not available within OHCHR. **The Committee points out that it will be the responsibility of the new D-1 in charge of administrative and financial management in the office of the Deputy High Commissioner to ensure compliance with United Nations regulations and rules.**

VI.17 The Advisory Committee notes that the policy, planning, monitoring and evaluation functions, previously scattered throughout the Office, have been consolidated within a single unit reporting directly to the Deputy High Commissioner, as recommended by the Office of Internal Oversight Services. This unit has OHCHR-wide responsibility for improving the prioritization of the work of OHCHR, for translating objectives into work plans and for monitoring and measuring achievements. Resources identified for the conduct of monitoring and evaluation under this section, in accordance with General Assembly resolution 58/269, are estimated at $1,462,000 (A/60/6 (Sect. 23), para. 23.7).

VI.18 The Advisory Committee notes that following the review of the programme of work, a total of 191 outputs produced in 2004-2005 will be discontinued in 2006-2007, related mainly to non-recurrent activities and non-renewed mandates.

VI.19 The Advisory Committee emphasizes the importance of closer coordination and cooperation with the Department of Economic and Social Affairs on the rights of indigenous peoples, with the Committee on the Elimination of Discrimination against Women and with UNCTAD on the right to development to avoid any overlaps and duplications.

Presentation and logical framework

VI.20 The presentation of the logical framework follows the standard model used by other departments. In the view of the Advisory Committee, some of the performance measures presented are purely statistical and do not adequately support the attainment of indicators of achievement. This weakness applies to other programmes also, and is discussed in more depth in chapter I of the present report.

Section 24
Protection of and assistance to refugees

Proposal submitted by the Secretary-General	$67,305,200*
Revised appropriation for 2004-2005	$66,243,900
Projected extrabudgetary resources	$2,022,860,000

A summary of the proposals of the Secretary-General for regular budget posts by budget section is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade level is contained in annex I to the present report.

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* At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

VI.21 The Advisory Committee recalls that since the 2002-2003 biennium, the bulk of the regular budget resources of the Office of the United Nations High Commissioner for Refugees are provided as a lump-sum grant in place of established posts, with the exception of the posts of the High Commissioner and Deputy High Commissioner, which are retained as regular budget posts. This simplified budgetary arrangement was proposed following consultations between

UNHCR and the Secretariat in accordance with General Assembly resolution 52/220, paragraph 82, in which the Assembly requested the Secretary-General to "monitor the flow of extrabudgetary resources to the Office of the High Commissioner and, based on his findings, to review the funding of the Office from the regular budget above the current proposed level". The new arrangements also take into account article 20 of the statute of UNHCR, which stipulates that administrative activities may be financed under the regular budget of the United Nations and that all other expenditures relating to the activities of UNHCR must be financed by voluntary contributions. Following the recategorization of UNHCR posts in line with those of UNDP, UNICEF and UNFPA, it was determined that during 2000-2001, in addition to the High Commissioner and the Deputy High Commissioner, 218 (87 Professional and 131 General Service) of the 433 management and/or administrative posts (50.8 per cent) were financed from the regular budget and that the regular budget contribution to non-post administrative costs was $2,326,300 (8.2 per cent of the total $28,355,400).

VI.22 In the proposed programme budget for 2002-2003 (see A/56/6 (Sect. 23), paras. 23.18-23.20), the Secretary-General requested that the provision for the grant be calculated on the basis of requirements for 220 regular budget posts and that the regular budget contribution towards non-post administrative costs be gradually increased from the 2000-2001 level to 50.8 per cent, or $14,404,500, of the total non-post administrative costs. The increase would be determined in the context of proposals for each biennium, but would not exceed $2.5 million. The posts of the High Commissioner and the Deputy High Commissioner would, however, continue to be funded from the regular budget and be shown separately from the grant. It was further decided that the grant would be subject to adjustment for currency and inflation, and that the arrangements would be subject to review after three bienniums, in 2008-2009.

VI.23 At that time, the Advisory Committee was informed that these funding arrangements through the provision of a grant would simplify the work of UNHCR by eliminating the need for separate administrative procedures in respect of half of the management and administration posts, and consequently streamline and simplify the budgetary process. The General Assembly had also endorsed the need to provide a breakdown of the grant by object of expenditure (see resolution 56.253, paras. 133-136).

VI.24 From additional information provided upon request, the Advisory Committee notes that the lump-sum grant has evolved from an initial appropriation of $45,956,000 in 2002-2003 to projected expenditure of $66,243,900 in 2004-2005. The amount requested for 2006-2007 is $65,785,300 before recosting (see para. VI.26 below). The sharp increase in the level of the grant between 2002-2003 and 2004-2005 was due to recostings relating to exchange rate variances, inflation and evolution of salary standards (which totalled $8.6 million in 2003 and $4.3 million in 2004), a growth of $2 million in the contribution towards non-post costs and an additional provision of $5.1 million resulting from resolution 59/276, part XI, on the strengthened and unified security management system for the United Nations. The Committee notes that most of the expenditure of UNHCR is incurred in Swiss francs, which appreciated considerably against the United States dollar during the 2002-2003 and 2004-2005 financial periods, going from 1.575 to the dollar to 1.359 and then to 1.2.

VI.25 **The Advisory Committee considers the overall presentation of section 24 for 2006-2007 to be lacking in transparency, difficult to follow and not consistent with the spirit of the original approval of the lump-sum appropriation. As noted above, the use of the lump-sum grant was intended to simplify and streamline the budgetary process. In the opinion of the Committee, given that the regular budget represents only 3 per cent of the overall budget of UNHCR, this method of budgeting could be well suited to the highly operational nature of UNCHR activities, providing the necessary flexibility as well as an incentive to manage resources within the limits of an overall budget ceiling. However, in order to be effective and credible, the use of a lump-sum grant must be accompanied by full, transparent reporting on both the use and proposed use of funds. Although the Committee recognizes that providing an object-of-expenditure breakdown in the proposed programme budget would be inconsistent with the lump-sum approach previously approved by the Assembly, it is of the opinion that there is a need to provide justification for the amount being proposed; an analysis of the way the amount requested has been arrived at should be submitted in the supplementary information provided to the Committee. This would also respond to the General Assembly's request in its resolution 56/253 for more transparency. The Committee urges UNHCR to improve its presentation of its regular budget section for 2008-2009, focusing on providing additional clarity and transparency.**

VI.26 As indicated in paragraph VI.24 above, the overall regular budget lump-sum grant requested for 2006-2007 amounts to $67,305,200 ($65,785,300 before recosting). Upon request, the Advisory Committee was informed that the total (before recosting) includes $60,283,900 for posts, $3,132,400 for non-staff costs and $2,369,000 under safety and security. The Committee notes that the security-related costs have come down from $5,803,500 for the 2004-2005 biennium, which included $2,959,800 for non-recurrent costs.

VI.27 The UNHCR Office in New York is headed by a D-2 and has six Professional and five General Service posts, representing considerable resources for a liaison office. The Advisory Committee requests that efforts to identify efficiencies and cost savings be made. The Committee commented extensively on liaison offices in paragraph 106 of its first report on the proposed programme budget for 2004-2005.[4] On a related matter, even though the Office is funded entirely from extrabudgetary resources, the Committee notes that $1,200 is allocated from the regular budget to cover contractual services and general operating expenses charged by United Nations Headquarters. **The Committee questions this allocation, since the Office is staffed by extrabudgetary personnel.**

Section 25
Palestine refugees

Proposal submitted by the Secretary-General	$36,973,700*
Revised appropriation for 2004-2005	$34,641,000
Projected extrabudgetary resources	$1,571,498,900

A summary of the proposals of the Secretary-General for regular budget posts by budget section is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade level is contained in annex I to the present report.

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* At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

VI.28 The overall regular budget resources for this section amount to $35,196,800, before recosting, which reflects a net increase of $555,800 (1.6 per cent) over the previous biennium. The regular budget portion of the overall resources of the United Nations Relief and Works Agency for Palestine Refugees in the Near East is required to cover staff costs of international staff in the service of UNRWA, as decided by the General Assembly in its resolution 3331 B (XXIX) of 17 December 1974. The Advisory Committee recalls that the General Assembly had provided UNRWA five additional posts for the 2004-2005 biennium (1 D-1, 1 P-5, 1 P-4, 2 P-3).

Recommendations on posts

VI.29 One P-4 evaluation and research officer post (A/60/6 (Sect. 25), para. 25.26) is related to the need to strengthen the Agency's capacity for analysis of the impact of UNRWA services on Palestine refugees and their quality of life, which is also useful for self-evaluation. **On the basis of information provided, the Advisory Committee recommends approval of this post.**

VI.30 One P-4 is proposed for a head of the Camp Development Unit, Operational and Technical Services Department (ibid.). The head of the Camp Development Unit will define policy and strategy and a comprehensive approach to all aspects of infrastructure of camps. **The Advisory Committee recommends the approval of this post.**

VI.31 One P-3 post is proposed for a project officer in the Gaza field office (ibid.). The project officer will plan, design implement and monitor non-emergency projects. **The Advisory Committee recommends the approval of this post.**

Other comments and recommendations

VI.32 The Advisory Committee requested and received a clarification on the response of UNRWA to the recommendation of the Board of Auditors to expand the terms of reference of the Microfinance and Microenterprise Programme Advisory Board to include the terms of membership, disclosure of conflicts of interest and remuneration benefits. The Committee will revert to this issue with the Board of Auditors during its next presentation on UNRWA.

Section 26
Humanitarian assistance

Proposal submitted by the Secretary-General	$26,622,300*
Revised appropriation for 2004-2005	$24,275,300
Projected extrabudgetary resources	$218,399,600

A summary of the proposals of the Secretary-General for regular budget posts by budget section is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade level is contained in annex I to the present report.

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* At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

Recommendations on posts

VI.33 The five additional posts requested for the Office for the Coordination of Humanitarian Affairs constitute a transfer of existing extrabudgetary posts to the regular budget with the aim of sustaining the stability of the programme through an increased share of regular budget funding for core functions. Four of the posts proposed are intended for desk officers in New York and in Geneva to provide substantive support to field offices. The Advisory Committee was informed that during the last two years efforts had been concentrated on establishing dedicated field support and on improving the efficiency of the Office's field presence. With the merger of the Humanitarian Emergency Branch in New York and the Response Coordination Branch in Geneva into the new Coordination and Response Division, efforts would now be concentrated on providing direction and guidance to the field on complex emergency and natural disaster matters. **The Committee requests that in the future major restructuring operations such as these be fully explained in the budget fascicles themselves.**

VI.34 Two P-4 and two P-3 posts are proposed for subprogramme 2, Coordination of humanitarian action and emergency response (A/60/6 (Sect. 26), para. 26.37). The Advisory Committee notes that these four posts of desk officers would be allocated to the newly created Coordination and Response Division to strengthen support for humanitarian coordination activities. Two posts (1 P-4 and 1 P-3) would be located in New York and would focus on complex emergencies that require coordination with the Department of Peacekeeping Operations and the Department of Political Affairs and that relate to Security Council decisions and post-conflict situations. The other two posts (1 P-4 and 1 P-3) would be located in Geneva and would be dedicated to coordinating with partners and providing support to the field in the area of natural disasters. In this regard, the Committee notes that since 1997 the number of field offices worldwide has doubled, from 20 to 40. **Recognizing the need to strengthen the core capacity of the Office for the Coordination of**

Humanitarian Affairs to respond to the increasing number of emergencies resulting from conflict and natural disasters, the Committee recommends the approval of these four posts.

VI.35 One P-4 post is proposed for subprogramme 5, Humanitarian emergency information and advocacy (ibid., para. 26.54). The Advisory Committee notes that this post is requested to strengthen the Early Warning and Prevention Unit, which is responsible for identifying potential complex emergencies. The incumbent of the post would be responsible for tasks such as developing methodology and indicators for early warning of disasters and emergencies; collecting information for contingency planning and preparedness; developing mechanisms for identifying countries and regions most at risk; and ensuring that early warning analysis leads to the triggering of early, coordinated inter-agency action. **On the basis of information provided, the Committee recommends the approval of this post.**

Recommendations on non-post resources

VI.36 Concerning information technology-related services, the Advisory Committee was informed that the information management applications of the Office for the Coordination of Humanitarian Affairs, including the ReliefWeb website, were hosted on servers administered by the International Telecommunication Union, on the basis of a historical arrangement which provided and continues to provide high capacity and excellent service on very favourable terms. The United Nations Office at Geneva provides day-to-day services, such as e-mail and Internet access, on a charge-back basis.

VI.37 The Advisory Committee was informed that administrative support services for recruitment were provided by the United Nations Office at Geneva, but that the capacity of that Office was limited and not well suited for the services required by the Office for the Coordination of Humanitarian Affairs, in particular in emergency situations and for the hiring of field staff. However, rosters maintained by the Office for the Coordination of Humanitarian Affairs were used to expedite Field Service recruitment.

VI.38 **The Advisory Committee is concerned by the questions raised about the capacity of the United Nations Office at Geneva to provide adequate administrative services to the Geneva-based organizations, in particular in the area of staff recruitment (see para. VI.13 above). The Committee requests that an evaluation be undertaken of the needs of the Geneva-based organizations and the capacity of the United Nations Office at Geneva to respond in a timely manner. The evaluation should identify gaps in the services provided.**

Part VII
Public information

Section 27
Public information

Proposal submitted by the Secretary-General	$172,739,500*
Revised appropriation for 2004-2005	$162,322,600
Projected extrabudgetary resources 2006-2007	$5,253,900

A summary of the proposals of the Secretary-General for regular budget posts by budget section is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade level is contained in annex I to the present report.

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* At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

Recommendations on posts

VII.1 Four new P-4 posts for the Web Services Section (A/60/6 (Sect. 27), para. 27.41) are proposed pursuant to General Assembly decision 57/579 and various General Assembly resolutions, including resolution 59/276, section IX, paragraph 2, by which the Assembly requested the Secretary-General to submit proposals to strengthen the United Nations website within the context of the proposed budget for the biennium 2006-2007. The Advisory Committee recalls that in the biennium 2004-2005 resources released as a result of the establishment of the regional information hub in Western Europe (see also paras. VII.12-VII.14 below) were to be redeployed to priority activities such as the United Nations website and information centres in developing countries. As noted in the Committee's report on the proposed programme budget for 2004-2005, one P-4 and six Local level posts were to be redeployed from the information centres to the News and Media Division to strengthen the multilingual capacity of the website (see A/58/7, para. VII.11).

VII.2 Upon enquiry, the Advisory Committee was informed that, following the rationalization of the United Nations information centres, one P-4 and six General Service posts were redeployed to the Web Services Section of the Department of Public Information (with administrative effect as from 1 January 2004). With these posts, the Department took the first steps towards the creation of separate language units, as mentioned in various General Assembly resolutions (see, for example, resolution 59/126 B, para. 79). The P-4 post was assigned to head the Arabic Language Unit, and one of the six General Service posts was allocated to each language unit. Upon request, the Committee was provided with table VII.1, showing the current staffing of the Web Services Section.

Table VII.1

Current staffing of the Web Services Section, News and Media Division[a]

Office or unit	*Title*	*Level*	*Number*	*Redeployed from*
Office of the Chief	Chief of section	P-5	1	News and Media Division
	Secretary	General Service	1	Office of the Under-Secretary-General
Website Languages Unit	Chief of Unit/Language Coordinator (English)	P-4	1	News and Media Division
	Language Assistant	General Service	2	1 from United Nations information centres
Chinese	Language Coordinator	P-3	1	Converted from general temporary assistance
	Language Assistant	General Service	1	United Nations information centres
	Language Assistant	General Service[b]	1	—
French	Language Coordinator	P-3	1	News and Media Division/Press Section
	Language Assistant	General Service	2	1 from United Nations information centres
Russian	Language Coordinator	P-3	1	Dag Hammarskjöld Library
	Language Assistant	General Service	2	1 from United Nations information centres
Spanish	Language Coordinator	P-3	1	Converted from general temporary assistance
	Language Assistant	General Service	1	United Nations information centres
	Language Assistant	General Service[b]	1	—
Arabic Language Unit	Chief of Unit	P-4	1	United Nations information centres
	Language Assistant	General Service	1	United Nations information centres
	Language Assistant	General Service[b]	1	—
Special Projects Unit	Chief of Unit	P-4	1	Executive Office
	Website Coordinator (global issues)	P-3	1	News and Media Division
Web Development and Webcasting Unit	Chief of Unit	P-3	1	Converted from general temporary assistance (originally Arabic)
	Website Designer	P-2	1	Office of the Director/Design Unit
	Database Developer	P-2	1	Office of the Under-Secretary-General
	Website Programmer	P-2	1	Executive Office
	Webcast Assistant	General Service	1	Dag Hammarskjöld Library
	Web Development Assistant	General Service	1	Dag Hammarskjöld Library
Total established posts (Professional)			**13**	
Total established posts (General Service)			**12**	
Temporary posts (General Service)[b]			**3**	

[a] Does not include one P-2 post which has been temporarily redeployed to the Section whose incumbent is from within the News and Media Division.

[b] General Service posts funded under general temporary assistance.

VII.3 The four P-4 posts requested for the biennium 2006-2007 would be for the Chiefs of the Chinese, French, Russian and Spanish Language Units. The Advisory Committee was informed that the new Chiefs of Units would actively participate in implementing the strategic enhancement of the language sites, ensuring uniformity, consistency and quality. The Committee was also informed that, with the addition of these posts, the Department anticipates a 50 to 60 per cent increase in the number of new and updated pages processed and a 20 to 30 per cent increase in the number of new stories posted in languages other than English. **The Committee recommends the approval of the four new P-4 posts.**

VII.4 A total of five posts are proposed for abolition under part VII, as follows: (a) three General Service (Other level) posts in the News and Media Division (subprogramme 2) resulting from the review of working procedures and the application of information and communication technology, (b) one General Service (Other level) post as a result of the restructuring of the Dag Hammarskjöld Library (subprogramme 3) and (c) one General Service (Other level) post under outreach services (subprogramme 4). **The Advisory Committee trusts that the abolition of the posts in question will not be offset in the future by requests for Professional staff to perform essentially similar functions.**

VII.5 Proposed redeployments between subprogrammes are described in detail in paragraphs 27.17, 27.47, 27.53 and 27.56 of A/60/6 (Sect. 27). A summary is provided in table VII.2 of the present report.

Table VII.2
Summary of redeployments under section 27

Grade	*Outward redeployment from*	*Inward redeployment to*
1 P-4	Executive direction and management	Subprogramme 4, Outreach services
1 P-4, 2 P-3, 1 P-2, 1 General Service (Other level)	Subprogramme 3, Library services	Subprogramme 4, Outreach services
1 P-5	Subprogramme 4, Outreach services	Executive direction and management
1 General Service (Professional level)	Subprogramme 4, Outreach services	Programme support
1 General Service (Other level)	Programme support	Subprogramme 4, Outreach services

VII.6 The Advisory Committee was informed that the suspension of recruitment for new vacancies in General Service posts in accordance with General Assembly resolution 58/270 had had negative repercussions for some areas of the Department's work. Though the current vacancy rate stands at only about 4 per cent, the Committee was informed that it was not the rate so much as the nature of the vacancies that was causing difficulties. The Department has found it impossible, for example, to recruit Chinese and Arabic website assistants from within the

Organization. The Committee was further informed that difficulties in recruiting General Service staff in the News and Media Division have had a direct impact on the ability of the Department to issue press releases in a timely manner. The Committee has commented in detail on the suspension of recruitment of General Service staff in chapter I above.

Recommendations on non-post resources

VII.7 The estimate for contractual services in section 27 amounts to $16,504,700, a decrease of $175,100, or 1 per cent, from the appropriation for 2004-2005. The Advisory Committee notes from the supplementary information provided to it that the estimate for contractual services under subprogramme 2 includes an amount of $10,060,100 for contractual engineering, including an increase of $45,000 over the 2004-2005 amount. It is indicated in paragraph 27-41 of the budget that the increase relates to the growth in the number of General Assembly and Security Council meetings. The Committee notes, however, from the additional information provided to it upon request that the number of General Assembly and Economic and Social Council meetings covered by the Department increased from 977 in 2001 to 1,152 in 2004. However, although the number of Security Council meetings covered showed a sharp increase in 2002, it has remained constant since then, at about 400 in 2003 and in 2004. **As the number of Security Council meetings covered appears to be stabilizing, the Department of Public Information should carefully monitor the use of these funds.**

VII.8 The Advisory Committee was informed that the estimate for contractual services included some external translation of materials that should ordinarily have been handled by the Department for General Assembly and Conference Management. It was reported to the Committee that, because that Department was so overburdened with parliamentary documentation, some materials from the Department of Public Information received low-priority treatment when it came to translation. The Department of Public Information had therefore hired its own external translators. The Committee was informed that the Department maintains a roster of external translators and that the Web Services Section has set up a pro bono translation capacity with the translation training departments of reputable universities. In addition, internal staff are used whenever possible to translate materials for publications and the website.

VII.9 **The Advisory Committee appreciates the pragmatic approach being taken by the Department and welcomes the use of such arrangements for the translation of more informal materials; however, the Committee is of the view that all formal translation of publications or documents emanating from the United Nations Secretariat into official languages of the Organization should be handled centrally by the Department for General Assembly and Conference Management. If it is perceived that translation is not possible internally within a reasonable time frame, then there should be recourse to contractual translation through the Contractual Translation Unit of the Department for General Assembly and Conference Management. The advantages of central management of contractual translation include economies of scale relating to the administrative overhead costs, a favourable bargaining position in contract negotiations with external translators and, perhaps most importantly, assurance of quality control.**

Other comments and recommendations

Presentation

VII.10 As shown in table VII.2, five posts are to be redeployed from subprogramme 3, Library services, to strengthen subprogramme 4, Outreach services. The Advisory Committee was informed, however, that the two subprogrammes were closely related (in fact, the Dag Hammarskjöld Library is part of the Outreach Division) and that a new approach was planned for library services to place greater emphasis on outreach. This is amplified in A/60/6 (Sect. 27), paragraph 27.3, where it is stated that the libraries will "aim to take up a new role as a network of knowledge-sharing communities, moving from collections to connections and from building and maintaining book and periodical collections to facilitating a knowledge-enabled environment and the exchange of information among stakeholders". Upon enquiry, the Committee was assured that the collection side of library services would not be abandoned; the emphasis of the subprogramme would merely be shifted. **In view of the interrelationship between Library services and Outreach services, the Committee is of the opinion that consideration should be given to the possibility of integrating the two subprogrammes.**

VII.11 Another presentation issue that strikes the Advisory Committee is the peculiar situation whereby subprogramme 3, Library services, is to be implemented by the Dag Hammarskjöld Library "and other United Nations libraries" (A/60/6 (Sect. 27), para. 27.42), although only the Dag Hammarskjöld Library is placed organizationally within the Department of Public Information. The Committee notes that in accordance with paragraph 50 of General Assembly resolution 58/270, the Office of Internal Oversight Services has issued a report on the review of the operations and management of United Nations libraries (see A/59/373). By its decision 59/557, the General Assembly decided to defer consideration of that report to its sixtieth session. **The Committee believes the time has come to consider taking steps towards rationalizing the administration of the United Nations libraries.**

Regionalization of the United Nations information centres

VII.12 The Advisory Committee held a detailed discussion with representatives of the Secretary-General concerning the experience gained in the establishment of the regional United Nations information centre in Western Europe. The Committee was informed that two years into the establishment of the regional centre, it was still too early to judge the effectiveness of the undertaking. The Committee was further informed that the consolidation of the information centres, for a variety of reasons, had not yielded the expected savings. The reasons given included the unwillingness of a number of staff of the former information centres to move to Brussels, necessitating expensive buyouts of their contracts. The Committee would have appreciated it if the proposed programme budget had contained an analysis of the expected savings, with an indication of what was actually achieved, even if this was offset by the problems mentioned above. This information should be provided in the report referred to in paragraph VII.14 below.

VII.13 The Advisory Committee was informed that plans to consolidate information centres in other parts of the world had been shelved for the time being because it was perceived that the regional approach would not yield savings and, in fact, could be more expensive in the developing regions (see A/AC.198/2005/3 and A/60/21, chap. IV, draft resolution B, paras. 34-45). The Committee was informed that the emphasis would now be on maximizing synergies among the information centres rather than physically consolidating them.

VII.14. **The Advisory Committee believes that a cost/benefit analysis should be undertaken.** In this connection, the Committee was informed that a study on the issue of regionalization of the information centres would be prepared for the Committee on Information by the end of 2005. The Committee was also informed that it was the intention of the Department to submit a comprehensive report to the General Assembly reflecting the findings of that study as well as of the three-year collaborative project between the Office of Internal Oversight Services and the Department, mentioned in paragraph VII.17 below. **The Committee trusts that these studies will lead to an effective reprioritization of the activities of the Department.**

Budgetary flexibility

VII.15 In the course of the discussions on section 27 of the proposed programme budget, some frustration was expressed by representatives of the Secretary-General concerning the rigidities inherent in the existing rules and procedures. The example was given of a United Nations information centre which had a P-5 post but few funds with which to work. The Department had therefore hoped to hire a national information officer and use the savings (the difference between the P-5 and the Local level salaries) for local outreach activities. It was informed that it was not possible to hire a Local level staff member on a P-5 post; the only way that this could be handled procedurally was for the Department to propose the abolition of the P-5 post and, once that had been approved, to request an additional national information officer post. In chapter I above, the Committee has recommended that thought be given to authorizing programme managers, during the implementation of a particular budget, to flexibly utilize international posts for national officers if they consider this a more effective means of attaining programme objectives, with associated savings remaining available to promote programme implementation.

Monitoring and evaluation

VII.16 **The Advisory Committee welcomes the "new culture of self-evaluation and performance management" (A/60/6 (Sect. 27), para. 27.9 (a)), which is being promoted in the Department of Public Information, as well as the innovative manner in which the Department is planning to use the resources to be dedicated to monitoring and evaluation pursuant to General Assembly resolution 58/269.** To begin with, the Office of the Under-Secretary-General includes an Evaluation and Communications Research Unit, which is responsible for assisting programme managers with annual programme impact reviews and providing technical support to staff in assessing media coverage and target audience needs. It is proposed to strengthen the Unit through the inward redeployment of a P-5 post from subprogramme 4 in exchange for a P-4 post, with the idea being that this small unit would serve as a catalyst for monitoring and evaluation activities in other departmental entities (see also chap. I above).

VII.17 In accordance with action 7 of the report of the Secretary-General entitled "Strengthening of the United Nations: an agenda for further change" (A/57/387 and

Corr.1) and paragraph 17 of General Assembly resolution 57/300, the Department of Public Information has embarked, with the assistance of the Office of Internal Oversight Services, on a three-year project, now in its final year, to establish an internal mechanism for self-evaluation through the annual programme impact review. The Advisory Committee was informed that the annual review was aimed at ensuring the comprehensive evaluation of the Department's communications programmes and services and was part of a larger effort to incorporate a culture of self-evaluation into the Organization's reform process. The Committee was also informed that the Department's internal annual review employed a results-based framework similar to that of the programme budget, incorporating self-evaluation in the daily work of programme managers, with a view to institutionalizing a new departmental culture of improved strategic planning through systematic evaluation. To support these efforts, a series of training workshops have been held for staff.

VII.18 With the emphasis on self-evaluation, the Department plans to distribute the resources that have been identified for the purpose ($2,002,000) among the activities of the Department, rather than concentrating them in any one area. Thus, an amount of $937,400 has been included under executive direction and management; $663,900 under subprogramme 1, Strategic communication services; $329,700 under subprogramme 2, News services; $19,200 under subprogramme 3, Library services; and $51,800 under subprogramme 4, Outreach services (A/60/6 (Sect. 27), para. 27.11). **The Committee would ordinarily favour a more Department-wide approach. However, it recognizes the reasons why the Department has chosen to handle evaluation and monitoring in this manner. The Committee considers this to be a rational approach and looks forward to information on results achieved. Lessons learned should be shared with other parts of the Secretariat.**

Revitalization of the Publications Board

VII.19 The Advisory Committee notes with interest the recent issuance of the Secretary-General's bulletin on the Publications Board (ST/SGB/2005/15), which has been reconstituted in accordance with action 10 (b) of the report of the Secretary-General entitled "Strengthening of the United Nations: an agenda for further change" (A/57/387 and Corr.1). The Committee was informed that one significant change that had been undertaken was to bring the representation on the Board down to the level of senior working managers (i.e., P-5 to D-1), that is to say, those who exercise direct managerial control over publications. The Committee was also informed that it was expected that a comprehensive review of publications would be completed by the end of 2005. **The Committee welcomes these developments since this matter has been pending for more than two years, leaving publications activities without effective central direction.**

Part VIII
Common support services

Section 28
Management and support services

Proposal submitted by the Secretary-General	$506,541,400*
Revised appropriation for 2004-2005	$477,820,500
Projected extrabudgetary resources	$195,300,600

A summary of the proposals of the Secretary-General for regular budget posts by budget section is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade is contained in annex I to the present report.

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* At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

VIII.1 The overall objectives of activities implemented under part VIII of the proposed programme budget for the biennium 2006-2007 are to enhance the efficiency and effectiveness of the Organization in managing resources in three broad management areas, namely, finances, human resources and support services. Part VIII of the proposed programme budget for the biennium 2006-2007 covers section 28, Management and support services, and is divided into seven subsections, which are dealt with separately below.

VIII.2 **The Advisory Committee points out that to a large extent, the authority of the Secretary-General under the Charter, as the chief administrative officer of the United Nations, is exercised under his direction and on his behalf by the Under-Secretary-General for Management. As such, the Department of Management should proactively encourage the development of good management practices through the exercise of its central managerial and administrative responsibilities. The results-based budget should reflect the concrete measures the department has taken to improve the methodology used by departments and offices to assess the efficiency of new administrative processes and the effectiveness of their training and technological projects.**

VIII.3 **In this connection, the Advisory Committee recalls that it had requested that a more objective method of quantification of return on investment should be developed; moreover, it had previously recommended that in future budget submissions, all proposals for information technology projects, both new and ongoing, should be submitted with clear time frames for their completion and with projections of efficiency gains (see A/58/7, para. VIII.6); this request and recommendation of the Committee have not yet been fully implemented.**

Section 28A
Office of the Under-Secretary-General for Management

Proposal submitted by the Secretary-General	$11,973,700*
Revised appropriation for 2004-2005	$11,518,000
Projected extrabudgetary resources	$5,314,900

A summary of the proposals of the Secretary-General for regular budget posts by budget section is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade is contained in annex I to the present report.

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* At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

Recommendations on posts

VIII.4 The establishment of one P-5 post is proposed to enhance the administration of justice (A/60/6 (Sect. 28A), para. 28A.26). The Advisory Committee notes that the establishment of a P-5 post is proposed in line with the recommendation of the Office of Internal Oversight Services (see A/59/408) for a full-time presiding officer of the Joint Appeals Board. As indicated in paragraph 28A.23, the presiding officer will help to streamline the work of the Board, improve the effectiveness and the quality of the process and expedite the handling of cases. The existing capacity of the secretariat of the Joint Appeals Board and Joint Disciplinary Committee will also be strengthened with establishment of an additional P-3 post to be funded from extrabudgetary resources (peacekeeping support account). An additional extrabudgetary (support account) P-4 post for a legal officer is proposed to strengthen support for the Panel of Counsel.

VIII.5 **The Advisory Committee recommends the establishment of a P-5 post for a full-time presiding officer of the Joint Appeals Board.** With regard to the extrabudgetary posts funded from the support account (1 P-4 and 1 P-3), the Committee had earlier recommended that, in view of what is stated in General Assembly resolution 59/283, the related requirements be met for the time being through general temporary assistance (see A/59/784, para. 109). This recommendation was endorsed by the Assembly in its resolution 59/301. The Committee will revert to this matter when it considers the next proposals for the support account.

VIII.6 The Advisory Committee notes that in line with the reorganization of the Office of the Under-Secretary-General, a D-2 post would be redeployed from subprogramme 1, Management services and administration of justice, to the immediate office of the Under-Secretary-General. Moreover, one P-5 post would be redeployed from management services to the area of administration of justice.

VIII.7 The proposed staffing table for management services provides for the redeployment of one P-5 post to the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States under section 10 in exchange for a P-4 post from that section under the terms of paragraph 14 of General Assembly resolution 58/270. **The Committee recommends acceptance of those redeployments between sections.**

Other comments and recommendations

Restructuring and reorganization

VIII.8 The Office of the Under-Secretary-General for Management has been reorganized in 2005 to focus on strengthening accountability within the Secretariat and, as a consequence of the reorganization, the existing Management Policy Office, the Oversight Support Unit and the existing capacity for assisting the Under-Secretary-General in dealing with the internal system of justice have been consolidated into a new office: the Office for Oversight and Internal Justice (paras. 28A.2 and 28A.3). The new office will continue to provide management services but will also support accountability activities by reporting on the implementation of recommendations made by oversight bodies (the Office of Internal Oversight Services, the Joint Inspection Unit and the Board of Auditors) and will provide analysis of the decisions made by the Administrative Tribunal. The Secretariat anticipates that those analyses will feed into the work of the high-level follow-up mechanism (decided on by General Assembly resolution 59/272) and the newly created Management Performance Board.

VIII.9 **The Advisory Committee is of the opinion that to better reflect its functions, the new office should be called the "Office for Oversight Support and Internal Justice", since it would not perform oversight per se, but would interact with the Office of Internal Oversight Services and other bodies. With regard to functions concerning the internal system of justice, the Committee detects some confusion with regard to the actual scope of activities to be carried out in the Office of the Under-Secretary-General. In this connection, the Committee recalls paragraph 17 of General Assembly resolution 59/283 in which the Assembly called for measures that should be taken to eliminate the appearance of conflict of interest, and towards that end requested the Secretary-General to proceed with the transfer of responsibility for formulating decisions on appeals from the Department of Management to the Office of the Secretary-General. The Committee expects the speedy and full implementation of that resolution.**

VIII.10 **In paragraphs VIII.14-VIII.15 of its first report on the proposed programme budget for 2004-2005,[4] the Advisory Committee expressed a number of concerns with regard to the functional effectiveness of the Management Policy Office, particularly the need to urgently address the lack of effective mechanisms to monitor, evaluate and measure results and the impact of the programmes and activities of the United Nations and to promote improved management methods. There is a need to urgently address those deficiencies. Accordingly, while it should be for the Under-Secretary-General for Management to decide on how best to structure his office, functions previously assigned to the Management Policy Office, such as the assessment of administrative and management measures and the development of improved management tools and techniques, should be retained and clearly defined. The Committee trusts that the implementation of those functions and responsibilities will be accompanied by the necessary backing and cooperation throughout the Organization. In this connection, the Advisory Committee**

reiterates the need for those functions to be supportive and not duplicative of those performed by the Office of Internal Oversight Services.

VIII.11 **With regard to the proposed redeployment mentioned in paragraph VIII.6 above, the Advisory Committee expresses concern at the potential for fragmentation in the office of the Under-Secretary-General with an "immediate office" headed by a D-2 and a "principal office" headed by a D-1. The Committee trusts that a coherent working arrangement will be developed and that the particular requirements of the Under-Secretary-General for Management, who oversees the Office of Programme Planning, Budget and Accounts, the Office of Human Resources Management and the Office of Central Support Services, will not inspire attempts to replicate the structure of his office in the offices of other Under-Secretaries-General.**

VIII.12 The Advisory Committee points out that the General Assembly, by its resolution 59/283, decided, inter alia, that the Secretary-General should form a panel of external and independent experts to consider redesigning the system of administrative justice; the Assembly decided that the panel should start its functions no later than 1 February 2006 and should submit its findings and recommendations by the end of July 2006 (ibid., paras. 47 and 50). In paragraph 17 of the same resolution, the Assembly decided that measures should be taken to eliminate the appearance of conflict of interest, and towards that end requested the Secretary-General to proceed with the transfer of the responsibility for formulating decisions on appeals from the Department of Management to the Office of the Secretary-General. Moreover, the Assembly requested the Secretary-General to submit to it by the end of its fifty-ninth session proposals to separate the functions of administrative review, appeals, disciplinary matters and advisory services, through the redeployment of resources, in order to avoid conflict of interest (ibid., para. 30). **The Committee, therefore, intends to revisit the requirements for administration of justice in the Secretariat in the light of the reports to be submitted by the Secretary-General and the panel of external experts in the context of the implementation of Assembly resolution 59/283.**

Presentation

VIII.13 The objectives, expected accomplishments, indicators of achievement and performance measures for three components (executive direction and management, management services and administration of justice) of the logical framework of the Office of the Under-Secretary-General are shown in tables 28A.5, 28A.10 and 28A.12 of the proposed programme budget. **The Advisory Committee notes improvements in the presentation of the elements of the logical framework under this budget section. At the same time, the Committee is of the view that the formulation of indicators of achievement, performance measurement, outputs and external factors should be further improved.**

Section 28B
Office of Programme Planning, Budget and Accounts

Proposal submitted by the Secretary-General	$31,076,700*
Revised appropriation for 2004-2005	$29,460,100
Projected extrabudgetary resources	$40,747,200

A summary of the proposals of the Secretary-General for regular budget posts by budget section is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade is contained in annex I to the present report.

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* At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

Recommendations on posts

VIII.14 It is proposed to establish one P-4 post of Programme Budget Officer in the Programme Planning and Budget Division (A/60/6 (Sect. 28B), para. 28B.18). As indicated in the budget submission, the P-4 post is requested to deal with the substantial increase not only in the volume of resources, but also in the composition and complexity of special political missions and the related budgetary work. The Secretariat provided statistics in support of the proposal (see table VIII.1). The Advisory Committee points out that this is a resubmission of a previous proposal for an additional P-4 post in the Budget Division. **The Committee recognizes the steady increase in the workload related to special political missions, as supported by the data in table VIII.1 and recommends approval of the requested P-4 post.** The Committee notes that one General Service (Other level) post is proposed for abolition in the Budget Division. **The Committee agrees with the proposed abolition.**

Table VIII.1
Growth in special political missions, 1998-2005

Biennium	*Number*	*Resources (millions of United States dollars)*
1998-1999	23	101.3
2000-2001	41	109.8
2002-2003	40	204.6
2004-2005	41 (as at June 2005)	475.7

Other comments and recommendations

VIII.15 **The Advisory Committee is of the view that the indicator of achievement in table 28B.8, "percentage of surveyed clients indicating that the preparatory process has improved from previous bienniums", and the related performance measurement for the expected accomplishment, "simplified**

process for preparing budget proposals", are not specific enough. The Committee believes that component 1, programme planning and budgeting, of the logical framework should include a reduction in the lead time in the budget-preparation cycle as an expected accomplishment and the number of days required for the preparation as a performance measurement.

VIII.16 **The Advisory Committee trusts that improvements will be made in the presentation of component 3, financial accounting and reporting, of the logical framework.** The Committee finds that the indicator of achievement, "increased percentage of clients surveyed who rate services at least 'good' or 'very good'", is not objective enough and that the performance target "2 additional improvements" for the indicator of achievement "improvements in insurance policies", does not allow an understanding of what improvements are foreseen.

VIII.17 The Advisory Committee notes from paragraphs 28B.14 (a), 28B.20 (a) (i) and 28B.25 (a) (i) of the budget fascicle that the outputs to be delivered during the biennium 2006-2007 under section 28B would include servicing of intergovernmental/expert bodies, including the Advisory Committee, the Committee for Programme and Coordination and the Fifth Committee of the General Assembly. **The Committee finds this information to be somewhat confusing since those bodies have secretariats which provide substantive services to them; it should also be noted that substantive services provided by the secretariat of the Advisory Committee are budgeted under section 1. The Committee understands that an attempt was made to reflect in the budget fascicle for the Office of Programme Planning, Budget and Accounts, the meetings of the Advisory Committee, the Committee for Programme and Coordination and the Fifth Committee that may require attendance by the staff of the Office of Programme Planning, Budget and Accounts. The Committee points out in this connection that a distinction should be made between substantive servicing of intergovernmental/expert bodies and participation in their meetings. The Committee trusts that in future the formulation of outputs under this budget section will be refined to reflect this distinction.**

VIII.18 The Secretariat provided, upon request, additional information on efficiency measures that have been introduced in the Office of Programme Planning, Budget and Accounts or are foreseen for the biennium 2006-2007. The Advisory Committee notes from the information provided to it that while some efficiency measures will bring about measurable and identifiable cost savings, such as the proposed abolition of one General Service (Other level) post in the Budget Division (i.e., savings of $128,100), other measures would result in either cost avoidance or improved services and processes, including the implementation of a payroll data analysis tool, the introduction of the electronic pay slip provided to staff members through e-mail and the introduction of electronic payment of tax advances. **The Committee welcomes the efforts to achieve efficiency gains in the Office of Programme Planning, Budget and Accounts. The Committee is of the view that more progress should also be made to increase automation in the operations of the Contributions Section.**

Section 28C
Office of Human Resources Management

Proposal submitted by the Secretary-General	$62,444,700*
Revised appropriation for 2004-2005	$58,562,300
Projected extrabudgetary resources	$11,311,800

A summary of the proposals of the Secretary-General for regular budget posts by budget section is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade is contained in annex I to the present report.

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* At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

Recommendation on posts

VIII.19 One P-3 post is proposed to be established in the Administrative Law Unit (A/60/6 (Sect. 28C), para. 28C.35). This post is requested to strengthen the capacity of the Unit in processing disciplinary cases and requests for administrative reviews in line with the recommendations by the Office of Internal Oversight Services in its report A/59/408. The Advisory Committee was provided with statistics on advice, administrative reviews, appeals and disciplinary cases in support of the request (see table VIII.2). The Committee was also informed, upon request, that the status of the backlog for appeal cases for the period from 2001 to 2005 was as follows: 2001, 53 cases; 2002, 65 cases; 2003, 77 cases; 2004, 41 cases; and 2005 (as at May), 30 cases. According to the Secretariat, the decrease in the backlog in 2004 reflects an overall reduction in the number of new appeals: 24 in 2004 compared with 50 in 2001. There is no backlog of disciplinary cases, which are reviewed when received by the Office of Human Resources Management and are thereafter handled under established procedures. The Committee was also informed that if the P-3 post is approved, the workload of the Administrative Law Unit remains stable and the level of general temporary assistance resources available for the Unit is maintained, it is anticipated that the backlog in appeal cases would be eliminated by the end of the biennium 2006-2007. **The Advisory Committee recommends approval of an additional P-3 post for the Administrative Law Unit. The Committee agrees with the proposed abolition of one General Service post in the Division for Organizational Development.**

Table VIII.2
Statistics on the workload of the Administrative Law Unit, 2001-2005

Year	*Advice*	*Administrative reviews requested*	*Appeals to New York Joint Appeals Board*	*Disciplinary cases*
2001	42	103	50	58
2002	70	132	43	43
2003	85	147	35	19
2004	120	117	24	49
2005 (as at May)	35	44	18	31

VIII.20 It is proposed to establish one P-3 post in the Medical Services Division (A/60/6 (Sect. 28C), para. 28C.41) to assist the Director of the Division with medico-administrative functions related to the administration of sick leave, medical clearance and compensation claims. As a consequence, it is proposed to abolish one General Service (Principal level) post, since the functions that are currently assigned to the post would be subsumed within the other functions of the new P-3 post. The Advisory Committee was provided, upon request, with additional information which clearly indicates the increased workload in medico-administrative functions. The incumbent of the proposed P-3 post of Administrative Officer would assist the medical personnel of the Division in performing primarily medico-administrative functions (preparatory and analysis work) to reduce the time they spend on those activities; the Committee notes that the Office of Internal Oversight Services, in its recent internal review of the structure and operation of the Medical Services Division, indicated a need for increase in capacity. **The Committee recommends the establishment of an additional P-3 post and the abolition of one General Service (Principal level) post in the Medical Services Division. Although it is not foreseen that the incumbent will be a medical doctor, the Committee trusts that in the selection process, due regard will be paid to the need for relevant medical experience.**

Other comments and recommendations

Personnel policies

VIII.21 The Advisory Committee has commented extensively on personnel policies in chapter I of the present report.

Presentation

VIII.22 **The Advisory Committee welcomes the progress made in the presentation of the logical framework for programmes of activities of the Office of Human Resources Management for the next biennium. The Committee points out, however, that indicators of achievement, performance measures and outputs should be presented in a more transparent and clear manner.** For example, the indicator "timely recruitment and placement of staff" under executive direction and management should clearly specify that it relates to recruitment and placement of staff in the Office of Human Resources Management only and does not provide benchmarks or targets for the Secretariat as a whole. The Committee notes a wide variation among duty stations in reporting on the performance target for the average number of days a post remains vacant, for example, the Office of Human Resources Management — 250 days (for the Office itself) and 350 days (for the Secretariat at Headquarters); the United Nations Office at Geneva — 140 days; the United Nations Office at Vienna — 110 days (for a Professional post); and the United Nations Office at Nairobi — 250 days.

VIII.23 **Clearly there is no unified approach in reporting on the average number of days a post remains vacant, nor is there a central system that calculates the relevant data; this makes comparison across duty stations difficult.** The Advisory Committee was informed, upon enquiry, that the indicator "average number of days a post remains vacant" may include time for classifying the job, drafting the vacancy announcement, clearing the evaluation criteria with the central review bodies, advertising the vacancy, reviewing the candidates' applications, interviewing candidates, clearing the recommended candidates with the central review bodies, making the selection, awaiting the release of the selected candidate from his or her current position, travel of the candidate and entry on duty. **The Advisory Committee is of the opinion that the Office of Human Resources Management should more actively pursue its coordination role in matters relating to recruitment with a view to establishing a common methodology of accounting for the average number of days a post remains vacant; moreover, the performance targets for recruitment and placement of staff should more clearly reflect the benchmarks established by the General Assembly.**

VIII.24 The Advisory Committee's comments on the term "stakeholders" listed among external factors and on the target of 100 per cent as the performance target for 2006-2007 for the indicator of achievement "efficient and effective use of resources" are contained in chapter I. Moreover, the Committee's observations on the reference under this budget section to substantive servicing of the Advisory Committee on Administrative and Budgetary Questions, the Committee for Programme and Coordination and the Fifth Committee of the General Assembly are reflected in paragraph VIII.17 above.

VIII.25 As indicated in paragraph 28C.13 of the budget, resources identified for the conduct of self-monitoring and evaluation, which amount to $674,100, would be the equivalent of 41 work-months of Professional staff and 10 work-months of General Service staff. **The Advisory Committee points out that no indication is provided in the budget submission as to what is expected as an outcome of self-monitoring and evaluation. The Committee trusts that the Secretariat will improve the presentation of self-monitoring and evaluation activities and explain the related resource requirements. The Committee is of the view that the Office of Human Resources Management should set an example as to how this should be done throughout the Secretariat.**

VIII.26 The Advisory Committee notes from table 28C.11, indicator (a) (ii), that 60 per cent of staff would successfully complete their learning goals during the biennium 2006-2007, as set out in the performance appraisal report. **The Committee is concerned about the high projected rate of failure (40 per cent) and it trusts that this matter will be thoroughly reviewed.**

Efficiency gains

VIII.27 **The Advisory Committee welcomes the efforts to achieve efficiency gains in the Office of Human Resources Management.** Efficiency measures that have been introduced in the Office of Human Resources Management or are foreseen for the biennium 2006-2007 are expected to bring about efficiency gains totalling $1,355,400 as a result of the abolition of one General Service (Other level) post in the Division for Organizational Development and in cost avoidance or improved services and processes resulting from the streamlining and automation of the national competitive examination process, the implementation of the web-based performance appraisal system and the development of online and other information technology applications in the Organizational Development Services and the Medical Services.

Human resources monitoring

VIII.28 The Advisory Committee notes from paragraph 28C.23 of the budget that the human resources monitoring activities of the Office of Human Resources Management will include on-site monitoring of departments, offices and peacekeeping operations and online monitoring of human resources action plans; special attention will be given to building improved monitoring (including self-monitoring) capacity, which would provide for five posts and travel resources amounting to a total of $196,400 (both regular budget and extrabudgetary) for on-site monitoring missions. The Committee sought clarification as to the nature of those activities vis-à-vis the self-monitoring and evaluation referred to in paragraph 28C.13 of the budget. As indicated in the clarification provided, upon request, in paragraph 28C.13, the term "self-monitoring" refers to the internal monitoring of the Office of Human Resources Management, while paragraph 28C.23 outlines the focus of the Office on increasing the capacity of its client departments, offices and peacekeeping missions to monitor their own operations. **The Committee expects that the results of the on-site monitoring missions of the Office of Human Resources Management in enhancing the self-monitoring capacity of departments, offices and peacekeeping missions will be reflected in the budget submission for the biennium 2008-2009.**

VIII.29 With regard to on-site monitoring missions, the Advisory Committee was informed that since 2002, 17 such missions (covering over 25 offices and field operations worldwide) had been formally conducted across the Secretariat. In 2005, it is planned that the Office of Human Resources Management will undertake two monitoring missions to the United Nations Office at Vienna and UNODC (Vienna) and the Office for the Coordination of Humanitarian Affairs (Geneva); in New York, the Office intends to monitor the Office of Legal Affairs. The Committee was further informed that in the biennium 2006-2007, the Office planned to conduct monitoring missions to Geneva (the United Nations Office at Geneva and OHCHR) and to Addis Ababa (ECA); moreover, during the financial period 1 July 2005 to 30 June 2006, it planned to undertake on-site monitoring missions to six peacekeeping operations (the United Nations Peacekeeping Force in Cyprus (UNFICYP), the United Nations Observer Mission in Georgia, the United Nations Stabilization Mission in Haiti, the United Nations Interim Force in Lebanon (UNIFIL), the United Nations Operation in Côte d'Ivoire and the United Nations Mission in Liberia), utilizing resources of the support account for peacekeeping operations. According to the Secretariat, the benefits and effects of on-site monitoring missions include: training of staff in personnel sections of field offices; enhancement in the processing of education grant claims; provision of consolidated reference tools and services; sensitization on areas of responsibility within the existing delegation of authority; sensitization on the United Nations code of conduct and gender issues; exposure of the staff of the Office of Human Resources Management to the needs of field operations, which increases their responsiveness and ability to service client needs; and reinforcement of the role of the Office of Human Resources Management as the central authority and source of guidance in human resources management.

VIII.30 **The Advisory Committee points out in this connection that the benefits of on-site monitoring missions must be demonstrated through an analysis of their specific and concrete impact on human resources management in terms of a reduction in the time required for processing personnel actions or improvements in personnel administration. Moreover, the Committee questions the need to send on-site monitoring missions to well-established offices or long-running peacekeeping operations with good communication links, such as the United Nations Office at Geneva, the United Nations Office at Vienna, ECA, UNFICYP and UNIFIL.** The Secretariat indicated, upon enquiry, that all 17 on-site monitoring missions conducted so far had been initiated by the Office of Human Resources Management.

VIII.31 **The Advisory Committee requests that the practice of dispatching on-site monitoring missions be limited to newly established missions or offices experiencing personnel management problems that cannot be resolved without the on-site presence of staff of the Office of Human Resources Management.**

VIII.32 The Advisory Committee notes from paragraph 28C.25 of the budget that in the area of information management, the Office of Human Resources Management intends to focus on enhancing the implementation of a global human resources information system, including IMIS and Galaxy, and on further enhancing the Galaxy system for collecting and processing data on staff members and applicants in the process of filling vacancies. The Committee requested additional information on the global human resources information system, but it was not provided. **The Committee requests that this information be included in the next report of the Secretary-General on human resources policy.**

Training

VIII.33 Total training resources for the biennium 2006-2007, which amount to $25.6 million, would provide for the following: leadership development and performance management — $5.9 million; substantive and technical skills and career support — $4.8 million; information technology — $3.1 million; human and financial resources management — $2.3 million; language training — $7.4 million; and safety, security and other training — $2.1 million. Of the total training resources of $25.6 million, a provision of $16.1 million is made for centrally managed staff development and training programmes, reflecting an increase of $250,000 proposed for senior management leadership programmes. Table 28C.11 and paragraph 28C.34 (c) (ii) of the budget contain information on the projected number of participants in staff development and training programmes and the type of training foreseen for the biennium 2006-2007. **The Advisory Committee questions the rationale for training to build basic skills and competencies for staff in such areas as communication, teamwork, client orientation and work management, since, in the view of the Committee, the lack of those essential skills should normally be established during the screening of candidates to fill**

vacancies, thus obviating the need for such basic training. The Committee also observes that in a number of cases the description of training programmes does not sufficiently outline the benefits (other than general enlightenment of staff) that the Organization would accrue as a result of its investment in training.

VIII.34 The Advisory Committee has written extensively about training in recent years and its comments, observations and recommendations on training are still valid. **The Committee stresses that the lack of an effective means to evaluate training remains a very significant drawback of the training activities of the Organization. The Committee reiterates its view that until a comprehensive system of evaluation of training is completed and put in place, it will be impossible to know whether or not training programmes are effective and whether they improve implementation of programmes, thus justifying their cost and the staff time devoted to administering, travelling to and attending them; the lack of a viable system to track competency gaps renders the development of an effective training strategy difficult (see A/59/736, paras. 76-77).**

VIII.35 The Advisory Committee enquired about the status of the draft code of conduct and was informed that the issue was being actively discussed by the Office of Legal Affairs and the Office of Human Resources Management. **The Committee trusts that the document will be finalized expeditiously.**

Section 28D
Office of Central Support Services

Proposal submitted by the Secretary-General	$243,408,500*
Revised appropriation for 2004-2005	$229,877,800
Projected extrabudgetary resources	$89,985,200

A summary of the proposals of the Secretary-General for regular budget posts by budget section is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade is contained in annex I to the present report.

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* At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

Recommendations on posts

VIII.36 It was recommended to reclassify two Trades and Crafts posts to the General Service (Other level) category to adequately reflect their functions in the Facilities and Commercial Services Division (para. 28D.21). The Advisory Committee was informed that the reclassification would result in savings of approximately $10,200 per year during the biennium 2006-2007. **The Committee recommends the proposed reclassification.** A proposal is made for the abolition of nine General Service and one Trades and Crafts posts. **The Committee recommends the proposed abolition.**

Other comments and recommendations

Presentation

VIII.37 **The Advisory Committee welcomes the progress made in the presentation of the logical framework for programmes of activities of the Office of Central Support Services for the next biennium. More efforts, however, should be made so that indicators of achievement and performance measures are presented in a transparent, objective and clear manner; projects should contain time frames for their implementation.** During the hearings, the representatives of the Secretary-General agreed with the Committee that client surveys that are shown as indicators of achievement in several areas of central support services are not objective. Moreover, a number of performance measures for indicators of achievement are vague (e.g., the number of applications) and too technical (e.g., the number of hits on iSeek or the United Nations website) and may sometimes be a factor outside the control and efforts of the Office of Central Support Services. The Committee is of the view that the indicator of achievement for the Official Document System (ODS) should also include reference to the time frame for the availability of United Nations documents on the system. **The Committee trusts that the presentation of indicators of achievement will be refined to reflect its related comments (see also chapter I of the present report).**

VIII.38 The Advisory Committee's comments and observations on external factors, including the use of the term "stakeholders" and on 100 per cent as the performance target for the indicator of achievement "efficient and effective utilization of resources", are contained in chapter I of the present report.

Transfer of resources to section 33, Safety and security

VIII.39 The revised appropriation for the biennium 2004-2005 under budget section 28D has been adjusted for a non-recurrent provision of security-related resources incorporated in the Department of Safety and Security. As indicated in the additional information provided to the Advisory Committee upon request, following the establishment of the Department of Safety and Security, the resources of the Headquarters Security and Safety Services of the Office of Central Support Services were transferred in its entirety to the new department as of 1 January 2005. From the perspective of the programme budget proposals for 2006-2007, this redeployment of resources is shown as a component of the current revised appropriation of the Department of Safety and Security, with a corresponding reduction in the revised appropriation of the Office of Central Support Services. The redeployed resources include:

Object of expenditure	*2004-2005 appropriation (United States dollars)*
Posts	36 282 200
Other staff costs	4 186 600
Travel of staff	230 900
Contractual services	1 252 200
General operating expenses	1 440 400
Supplies and materials	1 800
Furniture and equipment	1 152 500
Total	**44 546 600**

The redeployed staff resources include 1 D-1, 1 P-5, 3 P-4, 1 P-3, 2 P-2, 1 General Service (Principal level), 17 General Service (Other level) and 300 Security and Safety Officer posts.

Efficiency gains

VIII.40 **The Advisory Committee welcomes the efforts to achieve efficiency gains in Office of Central Support Services.** Efficiency measures reflected in section 28D of the proposed programme budget for the biennium 2006-2007 are expected to bring about efficiency gains estimated at a total of $10,465,700 owing to the abolition of nine General Service (Other level) and one Trades and Crafts posts, cost avoidance and improved productivity, services and processes resulting from the transfer to the Information Technology Services Division of responsibility for the Department of Peacekeeping Operations Data Centre, the transfer of United Nations Headquarters satellite operations to the Department of Peacekeeping Operations, the consolidation of local area network (LAN) services and operations, the introduction of new applications developed by the Information Technology Services Division and of the bar-coding and automated weighing system, as well as improved mail operations.

VIII.41 The Advisory Committee was also informed during its hearings of a number of efficiency improvement projects of the Office of Central Support Services, including the introduction of electronic time management for outsourced cleaning contractors, linking the telephone directory to a space management module that allows an accurate determination of staff movement and space availability for every office in the Headquarters complex and successfully completing negotiations for global discounts from airlines. **While welcoming those measures, the Advisory Committee points out that more should be done to:**

(a) **Expand functions that could be more efficiently performed by contractors;**

(b) **Improve space management through close coordination of space requirements with funds and programmes;**

(c) **Improve global contracts with airlines so that other duty stations could make more use of discounted rates;**

(d) **Facilitate and expand the access of permanent missions at Headquarters and other main duty stations to information systems in use by the Organization, including the Internet, Intranet and ODS.**

VIII.42 The Advisory Committee notes that a significant amount of cost avoidance will be achieved as a result of the reorganization of information technology functions between the Information Technology Services Division and the Department of Peacekeeping Operations, the consolidation of information technology services and operations and the application of common practices and standards. **The Committee welcomes the efforts made by the Secretariat to strengthen the governance and standardization mechanisms for information and communication technology. However, it notes with concern that a substantial degree of decentralization remains in information and communication technology.** Offices and departments still maintain independent information technology units leading to unnecessary duplication of functions and waste of resources. It is recalled that in the context of its review of the proposed programme budget for the biennium 2004-2005,[4] the Committee pointed out that a lack of effective governance and leadership was the cause of the apparently piecemeal systems and databases developed in the Secretariat as a whole, including those for peacekeeping activities (A/58/7, para. 123). **The Committee is concerned that not much progress has been achieved in terms of improved governance of information and communication technology systems since its review of the proposed budget for 2004-2005; there continue to be a number of systems and databases, such as IMIS, the Budget Information System, IMDIS, Galaxy and Mercury, that are not compatible with each other or that require complicated systems of bridges to keep them interconnected.** The Committee's previous recommendation that financial and programme performance systems be integrated has not been implemented. A number of United Nations agencies, funds and programmes spend significant resources on developing their own payroll functionalities when IMIS has been doing this successfully for over a decade.

VIII.43 **The Advisory Committee also reiterates and cautions that the information and communication technology strategy should not be driven by extraneous factors, such as, new and emerging technologies offered by the information and communication technology market, but rather by the internal needs of the Organization. In this connection, the Committee points out that it is not satisfied with the one-size-fits-all approach used in estimating the requirements related to desktop computers and printers; the criteria of replacing desktop computers every four years does not fully take into account that in some areas of the Secretariat they are used predominantly as text-processing tools and thus may not need to be replaced every four years; moreover, full advantage should be taken of networking possibilities and investments by the Organization in related technologies that could lead to a reduction in the number of desktop printers.**

VIII.44 In this connection, the Advisory Committee was informed that while an alternative to IMIS was not likely to be imminently available, the system was fast approaching its technological lifespan. The Committee was also informed that the Secretariat was closely following the development of the Enterprise Resource Planning systems in the United Nations funds, programmes and specialized agencies, in terms of both functionality and technology; moreover, a study was funded from the budget for the biennium 2004-2005 for which an independent consulting firm was hired to objectively assess all aspects of IMIS operations and recommend the most effective course of action. **The Committee expects that Member States will be informed of the financial implications and all other aspects of IMIS replacement in a timely manner.**

VIII.45 A provision of $35,000 under contractual services is made for a pilot project of Enterprise Content Management in the Information Technology Services Division. The Advisory Committee was informed, upon enquiry, that Enterprise Content Management was an integrated set of solutions comprising eight core modules:

- Web content management
- Document management
- Document imaging and scanning
- Collaboration
- Search
- Web portal
- Digital asset management
- Record management

Together the eight core modules would unite teams, content and associated business processes within a single web-based platform. The Enterprise Content Management system would enable United Nations staff to collaboratively create, manage, deliver and archive information that drives business operations; it would also enable the United Nations to distribute all information in multiple languages, across internal and external applications and user communities throughout the world. The Committee was further informed that, within the Secretariat, there were over 40 applications using approximately 10 different platforms to manage content; many of the applications were developed in-house, were not integrated and did not "talk to each other", and some were reaching the end of their technological lifespan, including ODS, the Mail Action Records System and the CarLog system. Enterprise Content Management would allow a coordinated and integrated approach to information management in the Secretariat.

VIII.46 The Advisory Committee recalls that a request for funding amounting to $1,023,100 was made for the Enterprise Content Management project under the support account for the financial period from 2 July 2005 to 30 June 2006. The General Assembly, in paragraph 16 of its resolution 59/301, decided not to provide funds for Enterprise Content Management, with the exception of the resources of $149,000 sought for the Archives and Records Management Section. The Committee was informed, upon enquiry, that it was the understanding of the Secretariat that there was no objection in principle to the Enterprise Content Management project and that the main objection of Member States to the proposal was that an enterprise initiative of this nature should more appropriately be presented in the regular budget. The Secretariat estimates the cost of Enterprise Content Management from $500 to $1,000 per user as a start-up cost (including hardware, software, training, customization and implementation) and a recurrent maintenance cost of $60 to $110 per user per year; globally, for the Secretariat, depending on the core modules implemented, the number of users could range around 1,500.

VIII.47 **The Advisory Committee strongly believes that the Organization would benefit greatly by having in place a more centralized approach to managing information and communication technology initiatives and operations. The Committee requests that the Secretary-General review all available options for improving information and communication technology governance, including the possibility of a single structure to lead and manage information and communication technology activities and operations for the Secretariat. The Committee also reiterates its view that, given the magnitude of resources the Organization spends on information and communication technology, it would appear justified to create a new senior position of Chief Information Officer of the United Nations, who would be responsible for developing information and communication technology strategy, its most effective structure and its operational policies and procedures. The incumbent should possess a high degree of technical experience and expertise along with proven managerial and leadership ability (A/58/7, see para. 126).**

VIII.48 During its review of the proposed programme budget for 2006-2007, the Advisory Committee enquired as to the nature of the provisions budgeted under each section for offices at Headquarters under: (a) contractual services related to centrally managed information technology infrastructure; and (b) maintenance and servicing related to centrally managed information technology infrastructure. According to the clarification provided to the Committee, the computing resources of the United Nations have evolved considerably over the past six years, and there is a complex and diverse combination of network infrastructure, LAN and application servers, personal desktop computers and application software. Many departments have also developed and deployed applications that require extensive installation and maintenance of servers and related storage and backup facilities. Some departments continue to rely on mainframe computer applications that require the connection of user desktops to the mainframe of the International Computing Centre in Geneva and its services for job management, printing and administration of the centralized environment. The Office of Central Support Services has been providing structured, centralized management of diverse infrastructure-type services and ensuring management of resources to allow individual departments greater flexibility in managing some of the services.

VIII.49 In order to provide the necessary centralized storage and back-up services to all departments, the Office of Central Support Services has implemented several projects during the past five years, including storage area networks and network attached storage. Connecting those additional applications and servers to the United Nations network has resulted in a larger burden on the central infrastructure and higher maintenance costs. The increase in resources required for maintaining those infrastructures during the biennium 2006-2007 is estimated at $8.3 million for all Headquarters-based activities. Of the estimated increase of $8.3 million, $4.3 million would be distributed, on a cost-shared basis, among the users of information technology resources at Headquarters, based on their level of use and requirements for storage, connectivity, server and backup requirements and mainframe utilization, and the balance of $4 million would be centrally provided from section 28D, Office of Central Support Services ($1 million), and section 32, Construction, alteration, improvement and major maintenance ($3 million).

VIII.50 Table 28D.12 of the budget contains a summary of follow-up action taken to implement the relevant recommendations of the oversight bodies. The Advisory Committee observes in this connection that the Administration is not always clear and straightforward in its responses and sometimes outlines what it intends to do rather than reporting on what has been achieved. **The Committee trusts that greater effort will be made by the Administration to respond to the recommendations of the oversight bodies in a timely, clear and straightforward manner, even when reporting difficulties.**

Section 28E
Administration, Geneva

Proposal submitted by the Secretary-General	$104,592,600*
Revised appropriation for 2004-2005	$102,258,100
Projected extrabudgetary resources	$25,101,800

A summary of the proposals of the Secretary-General for regular budget posts by budget section is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade is contained in annex I to the present report.

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* At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

Recommendations on posts

VIII.51 It was proposed to reclassify the post of Deputy Secretary of the Joint Appeals Board and the Joint Disciplinary Committee from P-2 to P-3 (A/60/6 (Sect. 28E), para. 28E.15) to strengthen the capacity of the Division of Administration in servicing the administration of justice with respect to all Geneva-based secretariat units. As indicated in paragraph 28E.12 of the proposed budget, the activities of the secretariat of the Board and the Committee will be directed towards eliminating the backlog in appeals and disciplinary cases and reducing average case-processing time. The Advisory Committee notes that this proposal is made pursuant to the recommendation of the Office of Internal Oversight Services. **In line with its previously stated position (see A/58/7, para. 77), the Committee recommends approval of the proposed upgrade.**

VIII.52 The reclassification of the post of Chief, Information and Communication Technology Service, from P-5 to D-1 was proposed (A/60/6 (Sect. 28E), para. 28E.32). This is a resubmission of a previous request. The Advisory Committee recalls that it had considered a request for the reclassification of this post in the context of its review of the proposed programme budget for the biennium 2004-2005 and, on the basis of the information provided during the hearings, it did not recommend approval of the proposed reclassification. The Committee also recalls that it had recommended a thorough review of the staff and non-staff resources devoted to information and communication technology throughout the United Nations (see A/58/7, para. VIII.53). No information has been provided to the

Committee as to the outcome of the review. **The Committee points out that the Information and Communication Technology Service provides mainly basic maintenance services in the area of information technology and communications. The Committee further notes that those services have recently decreased because of the transfer of payroll functions from the United Nations Office at Geneva to UNHCR. Moreover, conference services in Geneva and UNHCR have their own dedicated information technology units, while the Office for the Coordination of Humanitarian Affairs uses the International Telecommunication Union (ITU) for its needs in information technology services. The Committee reiterates its previous position and does not recommend the reclassification.**

VIII.53 The Advisory Committee was informed, upon enquiry, that a reduction in General Service (Other level) posts funded from extrabudgetary resources from 90 in 2004-2005 to 72 in 2006-2007 is due mainly to the fact that UNHCR has undertaken its own payroll function (see para. VIII.60 below). The Committee was also informed that the transfer of responsibility for the Joint Medical Service from the World Health Organization (WHO) to the United Nations Office at Geneva would result in a reduction of $145,200 in the United Nations share of costs of the Joint Medical Service administered by the United Nations Office at Geneva during the biennium 2006-2007.

Recommendations on non-post resources

VIII.54 For the biennium 2006-2007, provisions for travel of staff are requested in the amount of $91,700 (before recosting) under the regular budget, an increase of $5,300 (6.1 per cent) compared with the revised appropriation for 2004-2005. As indicated in paragraph 28E.15 of the budget, the increase of $5,300 relates to travel of the Director of the Division of Administration to Headquarters for consultations on policy matters. **The Advisory Committee believes that in view of the availability and increased use of electronic communications, in particular videoconferences, the proposed travel estimates for 2006-2007 should not exceed the level of the revised 2004-2005 appropriations, that is, $86,400 (before recosting).**

Other comments and recommendations

Presentation

VIII.55 **The Advisory Committee points out that most of its comments and observations on the presentation aspect of section 28E, Administration, Geneva, are also applicable to section 28F, Administration, Vienna, and section 28G, Administration, Nairobi. Therefore the Committee will not repeat them in those sections. The Committee expects, however, that the future presentation of the logical framework under sections 28F and 28G will reflect the comments and observations it makes in respect of section 28E. The Committee welcomes the progress made in the presentation of the logical framework for activities to be implemented by the administrations of the United Nations Office at Geneva, the United Nations Office at Vienna and the United Nations Office at Nairobi during the biennium 2006-2007. The Committee is of the view, however, that further refinements should be made to present indicators of achievement and performance measures in a more transparent, objective and clear manner; projects that are planned in support services should contain time frames for**

their implementation. The Committee is also of the view that client surveys shown as indicators of achievement in several areas of support services should be replaced with objective and meaningful performance measures. For example, performance targets for some indicators of achievement that are expressed in number of courses per staff member or in average days required to process staff benefits, while quantifiable, do not appear to convey meaningful information since they provide data that are too general and aggregate to account for important details such as the duration of each training course or the time required to process each type of staff benefit. **The Committee is of the view that workload benchmarks should be increasingly used as performance measures or targets in support services (see also chapter I of the present report).**

VIII.56 The Advisory Committee notes that pursuant to General Assembly resolution 58/269, the budget fascicle identifies resources estimated at $154,000 (regular budget) and $20,800 (extrabudgetary) for monitoring and evaluation. Information is provided in paragraph 28E.8 on how those resources are divided among the three subprogrammes implemented under section 28E. The Committee was informed during the hearings that IMDIS was used as a tool in self-monitoring and evaluation.

Efficiency gains

VIII.57 **The Advisory Committee welcomes the efforts of the Administration of the United Nations Office at Geneva to achieve efficiency gains.** The Secretariat provided, upon request, additional information on efficiency measures that have been introduced in the United Nations Office at Geneva or are foreseen; they are expected to result in cost avoidance estimated at a total of $2,137,800 for the biennium 2006-2007. Those measures include the implementation of the automated Consolidated Treasury System, the use of more efficient heat-saving measures in the conference rooms, the replacement of lighting fixtures and obsolete flushing installations and other savings anticipated in costs of utilities.

Common services

VIII.58 The Division of Administration provides administrative and other support services to 22 entities of the United Nations common system. Many such services are provided to the United Nations funds and programmes, specialized agencies and other organizations on a reimbursable basis. As indicated in paragraph 28E.4 of the budget, the proposals for the biennium 2006-2007 under this budget section underline the growing role of the Division of Administration to lead and foster common services initiatives among common system entities in Geneva in line with General Assembly resolution 56/279, in which the Assembly encouraged the organizations concerned, in their continuing efforts further to expand areas of cooperative arrangements, to give priority to those services that lend themselves to common delivery using the criteria of efficiency, productivity and cost-effectiveness and, where feasible, to take into account the recommendations made by the Joint Inspection Unit in its report (A/55/856). The Geneva-based organizations of the United Nations common system were further encouraged to pursue, with a more structured approach, the improvement of existing common services and the development of new common approaches within the framework of the Management Ownership Committee and the Task Force on Common Services and its working groups.

VIII.59 The Advisory Committee was informed, upon enquiry, that for the biennium 2004-2005 common services contracts cover the following areas:

- Airline negotiations (ongoing project) — the United Nations Office at Geneva, WHO, the World Trade Organization, the World Intellectual Property Organization (WIPO), UNICEF, UNHCR, ILO, ITU, the World Meteorological Organization (WMO) and ITC
- Electricity (ongoing project) — cost avoidance of 10 per cent for 2002 and 11.35 per cent for 2003 and 2004; the contract terms were extended for 2005
- Master and volume purchasing agreements
- Office supplies — the United Nations Office at Geneva, ITU, WMO, the World Trade Organization, the International Organization for Migration (IOM), ITC and ILO
- Vehicles for field missions — UNHCR, WHO and UNOPS
- Diplomatic pouch services — the United Nations Office at Geneva is the service provider to all United Nations entities
- Mail services — the United Nations Office at Geneva, ITU, the International Bureau of Education, UNHCR, IOM, the World Trade Organization, ILO, WHO and ITC
- Copier services — the United Nations Office at Geneva, UNHCR, UNICEF and ITC
- Travel agency services — ITC, WMO, UNHCR, WHO, the United Nations Office at Geneva, WIPO and the World Trade Organization
- Printing services — ITC (the United Nations Office at Geneva, UNHCR and WMO are reviewing the contracts)
- Translation services — ITC (the United Nations Office at Geneva and WMO are reviewing the contracts)
- Storage area and network equipment — the United Nations Office at Geneva is the service provider of wireless network support for conferences; ITU is taking advantage of the services; other offices, such as OHCHR, will also be serviced as a result of the contract
- Supply and installation of anti-shatter film — the United Nations Office at Geneva has signed a contract of which UNHCR took advantage; ITC has also expressed interest
- Insurance — UNHCR, UNICEF and the United Nations Office at Geneva
- Paper for copiers and printers — the United Nations Office at Geneva, ILO, ITC, ITU, UNHCR, WMO, WHO and WIPO
- Toners for printers — ILO, ITU, WIPO, WTO, UNHCR, WMO, the United Nations Office at Geneva and the International Bureau of Education
- Voice telecommunication — the United Nations Office at Geneva and ITC

Common services projects for 2006-2007:

- Personal computers/printers — the United Nations Office at Geneva
- Medical supplies — WHO
- Vehicles for field missions — lead Agency to be determined
- Servers — the United Nations Office at Geneva and UNHCR
- Security projects — the United Nations Office at Geneva

VIII.60 **The Advisory Committee welcomes the efforts of the Division of Administration to expand common services. At the same time, the Committee notes that UNHCR has undertaken to administer its own payroll, which was previously provided by the United Nations Office at Geneva. The Committee was also informed that the capacity of the United Nations Office at Geneva to provide administrative services for recruitment was limited and not well suited for the services required by the Office for the Coordination of Humanitarian Affairs, in particular in emergency situations and for the hiring of field staff. The Committee is concerned about the lack of capacity of the United Nations Office at Geneva to provide adequate administrative services to the Geneva-based organizations. The Committee requests that there be an evaluation of the needs of the Geneva-based organizations and the capacity of the United Nations Office at Geneva to respond in a timely manner. The evaluation should identify gaps in the services provided. In line with its previous recommendation that progress reports on common services at the United Nations Office at Geneva should be submitted in the context of the proposed programme budget, the Committee requests that information on the evaluation also be included in the next budget submission for the Administration, United Nations Office at Geneva.**

Section 28F
Administration, Vienna

Proposal submitted by the Secretary-General	$34,651,300*
Revised appropriation for 2004-2005	$32,631,700
Projected extrabudgetary resources	$9,043,100

A summary of the proposals of the Secretary-General for regular budget posts by budget section is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade is contained in annex I to the present report.

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* At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

Recommendations on posts

VIII.61 It is proposed to establish one P-3 post for the Secretary of the Joint Appeals Board/Joint Disciplinary Committee (A/60/6 (Sect. 28F), para. 28F.14). The Advisory Committee notes that the proposal is made in response to the recommendation of the Office of Internal Oversight Services (see A/59/408). Closely related to this matter is a request for a provision of $72,700 under general temporary assistance to cover the cost of part-time technical assistance for the secretariat of the Joint Appeals Board/Joint Disciplinary Committee (28F.17). As indicated in paragraph 28F.14 of the proposed budget, secretarial support and services have so far been provided to the Joint Appeals Board/Joint Disciplinary Committee on a part-time basis by staff of the Human Resources Management Service, and it is proposed now that a separate identifiable secretariat of the Board and the Committee be established. **The Committee recommends the establishment of a P-3 post for the Secretary of the Joint Appeals Board/Joint Disciplinary Committee.**

VIII.62 The reclassification of one General Service (Other level) post to the P-2 level is proposed to provide for an Associate Programme Budget Officer (ibid., para. 28F.21). The Advisory Committee points out that this is a resubmission of a proposal made in the proposed programme budget for the biennium 2004-2005 for the reclassification of two General Service posts (1 to the P-2 level and another to the Principal level). The Committee was provided with data that clearly indicate that the workload in the Budget Unit has substantially increased. For example, during the period 2002-2005, the volume of administered regular budget resources increased by 64 per cent and the number of allotment accounts increased by 17 per cent; in extrabudgetary activities, allotment processing for trust funds has increased from 66 per year in 2002 to 235 allotments in 2004. The Committee was also informed of the increased workload of the Budget Unit in managing extrabudgetary resources. For example, effective 1 August 2004, responsibility for the Trust Fund for the United Nations Space Applications programmes was delegated to the United Nations Office at Vienna. **The Advisory Committee recommends approval of the requested reclassification.**

Other comments and recommendations

VIII.63 The Advisory Committee notes that pursuant to General Assembly resolution 58/269, the budget fascicle identifies resources estimated at $64,700 (regular budget) and $231,200 (extrabudgetary) for monitoring and evaluation. As indicated in paragraph 28F.10 of the budget, periodic reviews and analysis of the performance data, client surveys conducted at regular intervals within the existing capacity and real-time feedback mechanisms on specific services provide a basis for the internal evaluation. The Division for Management also relies on the evaluation capacity of the Independent Evaluation Unit of UNDOC.

VIII.64 **The Advisory Committee welcomes the efforts of the Administration at the United Nations Office at Vienna to achieve efficiency gains.** Efficiency measures that have been introduced in the United Nations Office at Vienna or are foreseen for the biennium 2006-2007 are expected to result in cost avoidance estimated at a total of $87,000. The efficiency measures include: improved workflow process for agency services requests to UNDP officers (financial authorization) using Lotus Notes applications; improved management support resulting from a shared Lotus Notes application for project performance monitoring assisted by automated workflow; improved financial control and management support through a Lotus Notes application for reporting of field office expenditures through management ledger and standardized payment request; use of the scanning feature of photocopiers and electronic dispatch of attachments resulting in reduction in photocopies; the use of freight rather than express services; and the use of the two-track approach, namely, splitting the provision of goods and services between two vendors for regular office supplies and toners respectively.

VIII.65 The Advisory Committee notes that the efficiency measures of the United Nations Office at Vienna are not expected to produce tangible results as substantial as those anticipated in the United Nations Office at Geneva or the United Nations Office at Nairobi. The Committee understands that one of the reasons why the United Nations Office at Vienna is lagging behind the United Nations Offices at Geneva and Nairobi is that a significant reorganization has been going on in the United Nations Office at Vienna and UNODC for some time, including: (a) the merger of the Information Support Unit of UNODC with the Information Technology Service of the Division for Management of the United Nations Office at Vienna; (b) the merger of the Management Advisory Unit of UNODC into the Human Resources Management Service of the United Nations Office at Vienna; and (c) the merger of the Financial Support Section of UNODC and the Finance and Budget Section of the United Nations Office at Vienna into the Financial Resources Management Service of the latter. Moreover, the Administration of the United Nations Office at Vienna is experiencing some logistical and technical difficulties resulting from the implementation of the asbestos removal project (begun in April 2005), which necessitated the relocation of staff to temporary quarters that are less conducive to the efficient performance of tasks by staff. **The Committee trusts that improved results of the United Nations Office at Vienna in efficiency gains and an improved working environment will be realized once the reorganization and the asbestos removal project are completed.**

Section 28G
Administration, Nairobi

Proposal submitted by the Secretary-General	$18,393,900*
Revised appropriation for 2004-2005	$13,512,500
Projected extrabudgetary resources	$13,796,600

A summary of the proposals of the Secretary-General for regular budget posts by budget section is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade is contained in annex I to the present report.

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* At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

Recommendations on posts

VIII.66 The Advisory Committee notes that in response to the request of the General Assembly in its resolution 52/220 to bring the financial arrangements of the United Nations Office at Nairobi into line with those of similar United Nations administrative offices, the Secretary-General has made a commitment to gradually increase the regular budget component of the United Nations Office at Nairobi with a view to easing the administrative costs levied on the substantive programmes of UNEP and UN-Habitat. The Assembly, in its resolution 57/292, welcomed the intention of the Secretary-General and urged him to increase the regular budget component of the United Nations Office at Nairobi in future bienniums so as to ensure that it would be able to fully execute programmes and activities within its mandate.

VIII.67 The further strengthening of the regular budget component of the United Nations Office at Nairobi is reflected in the budget proposal under section 28G for the biennium 2006-2007, which includes a request for the establishment of 13 new posts under the regular budget to provide for administrative services that otherwise would have to be financed on a reimbursable basis from the extrabudgetary resources of UNEP and UN-Habitat (see para. 28G.3 of the budget fascicle). The breakdown of those 13 posts is as follows:

- One P-4 under executive direction and management
- Seven Professional and higher category posts (1 D-1, 3 P-4 and 3 P-3) under subprogramme 2, Programme planning, budget and accounts
- One P-4 post under subprogramme 3, Human resources management
- Four Professional posts (1 P-5 and 3 P-4) under subprogramme 4, Support Services

The Advisory Committee has no technical reason for objecting to any of the transfers; it will be for the General Assembly to decide whether all should be effected in 2006-2007.

Other comments and recommendations

VIII.68 The Advisory Committee notes that pursuant to General Assembly resolution 58/269, the budget fascicle identifies resources estimated at $36,000 (regular budget) and $5,000 (extrabudgetary) for the conduct of monitoring and evaluation. As indicated in paragraph 28G.7 of the fascicle, the regular budget funding would provide for five work-months at the Professional level and four work-months at the local level, and extrabudgetary resources would cover three work-months at the local level.

Efficiency gains

VIII.69 **The Advisory Committee welcomes the efforts of the Administration of the United Nations Office at Nairobi to achieve efficiency gains.** Efficiency measures that have been introduced in the United Nations Office at Nairobi or are foreseen for the biennium 2006-2007 are expected to result in cost avoidance estimated at a total of $296,800 for the biennium 2006-2007. The Committee was informed that out of a number of the efficiency measures of the United Nations Office at Nairobi, the use of IMIS functionalities in payroll processing and vacancy announcements would result in identifiable cost avoidance amounting to $296,800, an equivalent of five Local level staff for 24 work-months. The Committee was also informed during the hearings that as a result of efficiency measures undertaken by the United Nations Office at Nairobi, four or five General Service posts could be made available for redeployment to priority areas within the Office during the biennium 2006-2007. **The Committee welcomes this information.**

VIII.70 The Advisory Committee also discussed with the administration of the United Nations Office at Nairobi the prospects of employing National Professional Officers and the enhanced recruitment of local staff to fill vacancies in the international General Service category. The Committee was informed of procedural and other aspects hindering employment of National Professional Officers. **The Committee is of the view that the Office of Human Resources Management should play a leading role in resolving this issue so that employment of National Professional Officers could be expanded and more local staff could fill vacant General Service international posts available at the United Nations Office at Nairobi.**

Administration of justice

VIII.71 As indicated in paragraph 28G.14, the function of administration of justice at the United Nations Office at Nairobi would be assigned to two posts in the secretariat of the Joint Appeals Board/Joint Disciplinary Committee. Moreover, additional requirements of $106,900 are requested under general temporary assistance (equivalent to 12 work-months of a post at the P-2/1 level). This would strengthen the capacity of the secretariat of the Board and the Committee in managing the appeals process.

Possibility of operating guided tours, bookstores and gift shops at the United Nations Office at Nairobi

VIII.72 In his report (A/59/793), the Secretary-General discusses the possibility of operating guided tours, bookstores and gift shops at the United Nations Office at Nairobi. The Advisory Committee notes that, following the anticipated completion in 2006 of the off-site building for commercial operations of the United Nations Office at Nairobi, the United Nations gift shop and other similar operations will be relocated to that building and resume their activities.

VIII.73 The Secretary-General concludes that the operation of guided tours at the United Nations Office at Nairobi would result in financial losses for the Organization. Accordingly, he does not recommend the establishment of a guided tours operation there. **The Advisory Committee concurs with the conclusion contained in the report of the Secretary-General.**

Part IX
Internal oversight

Section 29
Internal oversight

Proposal submitted by the Secretary-General	$26,132,900*
Revised appropriation for 2004-2005	$24,187,000
Projected extrabudgetary resources	$56,354,600

A summary of the proposals of the Secretary-General for regular budget posts by budget section is contained in table 5 of the Introduction to the budget. A summary of the total number of posts by source of funds and grade level is contained in annex I to the present report.

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* At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

IX.1 The Advisory Committee was informed during its session that it was expected that there would be a substantial revision for the proposal of the Office of Internal Oversight Services, which would be submitted during the sixtieth session of the General Assembly.

IX.2 **The Advisory Committee stands ready to take up the revised proposals late in 2005. The Committee trusts that the revised budget proposal will include details with regard to the strategic action plan of the Office, aimed at strengthening its role as an objective, client-oriented service provider to United Nations entities.**

Part X
Jointly financed administrative activities and special expenses

Section 30
Jointly financed administrative activities

Proposal submitted by the Secretary-General (full budget)	$32,272,800*
Revised appropriation for 2004-2005	$29,907,400
United Nations share for 2006-2007	$11,392,200*
United Nations share for 2004-2005	$10,445,200

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* At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

X.1 Resources are requested under this section for three bodies of the United Nations that are financed on an inter-agency basis:

(a) The International Civil Service Commission (ICSC) and its secretariat;

(b) The Joint Inspection Unit and its secretariat;

(c) The secretariat of the United Nations System Chief Executives Board for Coordination (CEB).

X.2 Previously, this section also covered the requirements for the United Nations share of the costs of inter-organizational security measures, which are now presented under part XII, section 33.

X.3 Upon request, the Advisory Committee was provided additional information on the cost-sharing formulas applied to determine the share of each participating agency for the three bodies financed on an inter-agency basis, which is summarized in annex IV to the present report. The Committee was informed that all cost-sharing arrangements and methodologies, including those for salary survey activities and field-based security costs, were being reviewed by the Finance and Budget Network of the High Level Committee on Management. **The Committee requests that it be kept informed of new developments in this regard. In the view of the Committee, it is extremely important that an equitable arrangement, accepted by all, be reached, since this could also clarify and facilitate discussions on cost-sharing issues in connection with common security costs.**

International Civil Service Commission

Proposal submitted by the Secretary-General	$15,923,600*
Revised appropriation for 2004-2005	$15,017,800
United Nations share for 2006-2007	$6,003,200*
United Nations share for 2004-2005	$5,637,600

* At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

X.4 The increase of $24,100 (0.4 per cent) of the United Nations share of the costs of ICSC reflects the effect of a delay in the application of the revised cost-sharing percentage to the full amount of the gross budget after recosting in 2004-2005. From the additional information provided to it, the Committee notes that the cost-sharing percentage for the United Nations is set at 37.7 per cent of the full budget of the Commission for 2006-2007 and that this percentage varies between 37 and 38 per cent, for example, 37.5 per cent in 2002-2003 and 38.1 per cent in 2004-2005.

X.5 The overall resources requested for 2006-2007 are unchanged (before recosting) from the level of the revised appropriation for 2004-2005, with a considerable redeployment of resources in the amount of $893,000 from general operating expenses to consultants and experts. The increased resource requirements under consultants and experts reflect the expansion of the scope of the study on new approaches to performance pay and broadbanding. The Advisory Committee was informed that little or no internal expertise existed, since those types of approaches have essentially been applied in the private sector. The application of this type of approach to the United Nations posed a number of challenges, including the need for in-depth knowledge of both private and public sector environments. It was thus necessary to obtain highly specialized outside expertise in this matter. **The Committee recommends that ICSC staff be fully involved through all the phases of the project, working closely with experts and consultants, in order to build up internal capacity and expertise in this area.**

X.6 The Advisory Committee was informed that the resources requested under consultants and experts, which amount to $1,490,900 (before recosting), were also intended for studies and surveys related to cost-of-living conditions, including the collection of pricing data for goods and services and housing costs in the context of post adjustment surveys at Headquarters and in field offices. The price indices, which are established for over 170 countries, measure the cost of living of United Nations international staff stationed at specific duty stations relative to New York and take into account the consumption pattern of United Nations personnel rather than that of the local population. Since it is not always possible to use price indices established by national Governments or statistical organizations, ICSC must collect pricing data itself. Accordingly, ICSC uses independent price agents who are experienced and qualified to reflect local shopping conditions. **In the opinion of the Committee, those costs should be charged under contractual services rather than consultants and experts. It requests that ICSC look into this matter and report on its conclusions in the next budget proposals for 2008-2009.**

X.7 **Concerning requirements for travel of staff, which represent a considerable amount ($453,900 before recosting), the Advisory Committee requests that efforts be made to reduce those costs wherever possible through the use of videoconferencing and other electronic means of communication and prudent management of travel funds.** The Committee understands that the meetings of the technical working groups are usually held away from New York or Geneva, although the preponderance of the membership is located in those two cities. **The Committee requests that consideration be given to holding working group meetings in locations where they are most cost effective.**

Joint Inspection Unit

Proposal submitted by the Secretary-General	$11,367,700*
Revised appropriation for 2004-2005	$10,574,900
United Nations share for 2006-2007	$3,592,200*
United Nations share for 2004-2005	$3,260,200

* At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

X.8 The overall resources requested for the Joint Inspection Unit for 2006-2007 (before recosting) are unchanged from the revised appropriation for 2004-2005. The growth of $81,500 of the United Nations share of the Unit's resource requirements compared to biennium 2004-2005 is due to the delay in the application of the revised cost-sharing percentage, established at 31.6 per cent, to the full amount of the gross budget after recosting in 2004-2005.

X.9 The Advisory Committee was informed that the Joint Inspection Unit had refined and improved its monitoring and evaluation tracking system for following up on the implementation of the Unit's recommendations and that all but 2 of the 23 participating organizations were already signatories to the system. The new version was simpler to use, had a shorter reporting period and had received a positive feedback from users. The system had been introduced three years ago, but the initial version had been considered burdensome and time-consuming to update. **The Committee welcomes those improvements and looks forward to receiving information on the status and impact of the implementation of the recommendations of the Joint Inspection Unit on a regular basis as part of the logical framework.**

X.10 The Advisory Committee was provided with additional information on implementation and results achieved by the implementing organizations for the period 2002-2003, which showed that out of the 19 reports issued, replies had been received for 12, and that of those, 10, or 53 per cent, had been positively considered by the governing bodies of the participating organizations.

X.11 Although the Joint Inspection Unit had committed to a greater use of videoconferencing facilities (see A/58/7, para. X.9), the Advisory Committee notes that the requirements requested for travel are unchanged, which nevertheless, at

$513,300 (before recosting), represent a considerable amount. **In the opinion of the Committee, travel requirements could have been reduced through increased use of videoconferencing and electronic means of communication, which would appear to be particularly well suited to some of the activities of the Unit, such as data collection and research. The Committee reiterates its request that, whenever possible, the Joint Inspection Unit use alternative methods of communication rather than travel; savings achieved should be reported in the next budget proposals.**

X.12 An increase of $2,800 (18.4 per cent) is requested under consultants and experts, bringing the total requirement under this object of expenditure up to $18,000 (before recosting). The Advisory Committee recalls that in its previous report it had requested that the use of consultants to provide additional expertise be linked more closely to specific items on the basis of the work programme (A/58/7, para. X.8). **The Committee points out once again that, in accordance with the statute of the Joint Inspection Unit, inspectors are appointed on the basis of their special expertise in administrative, financial and management matters, and that recourse to consultants and experts should be limited to exceptional cases.** Upon request, the Committee was informed that between 2003 and 2005, four short-term consultancies (20-30 days) had been contracted on specific United Nations common system issues regarding post structure, related appointments and payroll, and on technical issues concerning medical health insurance. **In the opinion of the Committee, this type of specialized knowledge should be accessible without recourse to consultants.**

X.13 The Advisory Committee had pointed out in its previous report (ibid., para. X.10) that very little information on the average cost of preparing a report of the Joint Inspection Unit had been provided. Upon request, the Committee was provided with additional information on the reports produced in 2004, which indicated that the Unit had issued 10 reports, 1 note and 1 confidential letter in 2004, and that most of the reports covered system-wide issues. A summary table of the reports produced by the Joint Inspection Unit during the 2003-2005 period was also provided, indicating that 16 reports concerning single organizations (8 each for the United Nations funds and programmes and specialized agencies), 3 reports concerning several organizations and 13 system-wide reports had been produced.

X.14 In the summary of follow-up action taken to implement relevant recommendations of the oversight bodies (A/60/6 (Sect. 30), table 30.15), the Joint Inspection Unit indicates that it has adopted a new methodology for the selection of topics to be included in the Unit's programme of work. **The Advisory Committee trusts that the use of this methodology will provide additional information on the costs of the preparation and benefits derived from the recommendations of the Joint Inspection Unit reports, and requests that those results be presented in its budget proposals for 2008-2009.**

United Nations System Chief Executives Board for Coordination

Proposal submitted by the Secretary-General	$4,981,500*
Revised appropriation for 2004-2005	$4,314,700
United Nations share for 2006-2007	$1,796,800
United Nations share for 2004-2005	$1,547,400

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* At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

X.15 The secretariat of the United Nations System Chief Executives Board for Coordination (CEB) is co-located in Geneva and New York, with its headquarters in New York. Each office has a staffing component of seven posts, including four Professional and three General Service posts. The activities of the office in Geneva are focused on issues related to financial, budgetary and human resources issues, whereas in New York emphasis is placed on the coordination of programmatic and information and communication technology policy matters.

X.16 Regular budget resources requested for 2006-2007 for the secretariat of CEB amount to $4,683,500 (before recosting), reflecting a growth of $368,800 or 8.5 per cent. The share of the United Nations would increase by $141,900, or 9.2 per cent, to $1,689,300, before recosting. The Advisory Committee notes that this increase reflects the combined effect of the delayed impact of four new posts approved for the biennium 2004-2005 and a delay in the application of the revised cost-sharing percentage to the full amount of the budget of the CEB secretariat after the re-apportionment in 2004-2005.

X.17 The additional requirements, before recosting, under consultants and experts ($7,800, or 13.4 per cent), travel of staff ($27,500, or 11.9 per cent) and general operating expenses ($9,600, or 6.5 per cent) are offset by a reduction of $44,900 (12.3 per cent) under contractual services. The Advisory Committee notes that the consolidation of the inter-agency secretariat into CEB has not led to reduced requirements for travel. It was informed that the Secretariat had been tasked with the development of networks and that negotiations among large numbers of experts were required to reach agreement on their terms of reference. The Committee was informed that even though videoconferencing was increasingly used as a substitute for travel, it was not always feasible when the discussions involved multiple interlocutors in different locations.

X.18 The Advisory Committee notes that the Executive Office of the Department of Economic and Social Affairs continues to provide some administrative support to CEB in matters of finance and personnel and that the Assistant Secretary-General for Policy Coordination and Inter-Agency Affairs acts as Secretary of the Board.

X.19 The Advisory Committee welcomes the report of CEB entitled "One United Nations — catalyst for progress and change: how the Millennium Declaration is changing the way the system works", which constitutes the contribution of the Board to the preparations for the High-level Plenary Meeting of the General Assembly, to be held in September 2005, and provides an account of how United

Nations organizations are working together to assist Governments to meet the objectives of the Millennium Declaration. In the view of the Committee, the new sense of unity of purpose and spirit of cooperation and collaboration highlighted in the report are essential for making progress towards the achievement of the Millennium Development Goals, as well as for the most cost-effective use of resources. It encourages CEB to take further initiatives to ensure greater policy coherence and coordination throughout the United Nations system.

Section 31
Special expenses

Proposal submitted by the Secretary-General (full budget)	$95,553,800*
Revised appropriation for 2004-2005	$81,255,900
Projected extrabudgetary resources	$17,955,600

* At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

X.20 Resources are requested under this section for after-service health insurance, compensatory payments, general insurance charges, bank charges and pension payments to former Secretaries-General. The overall resource growth amounts to $6,298,500, or 7.8 per cent (before recosting), and is essentially due to higher requirements for after-service health insurance ($9,050,900, or 13.3 per cent). This increase is offset by reductions in: compensatory payments ($64,800, or 3.8 per cent); general insurance ($2,660,100, or 27.2 per cent), due to insurance premiums renegotiated at more favourable rates; and bank charges ($150,000, or 27.3 per cent), due to expected savings owing to United Nations participation in the Society for Worldwide Interbank Financial Telecommunication system. The Advisory Committee notes that the bank charges presented under this section are subject to recosting. They are limited to charges incurred under the regular budget and do not include those for the peacekeeping operations.

X.21 The Advisory Committee was informed that in response to the recommendation contained in paragraph 47 of the report of the Board of Auditors,[12] the Secretariat had undertaken the first steps towards estimating accrued and future liabilities of the after-service health insurance programme and was exploring different funding options, which will be presented to the General Assembly at its sixtieth session. **The Committee welcomes progress in this area, which, in addition to providing valuable information to Member States on the liabilities already incurred and those that will be incurred based on commitments already made, is also required for compliance with international accounting standards.** The Committee stands ready to take up the report on after-service health insurance late in 2005.

Part XI
Capital expenditures

Section 32
Construction, alteration, improvement and major maintenance

Proposal submitted by the Secretary-General	$72,194,800*
Revised appropriation for 2004-2005	$104,566,600

* At 2006-2007 rates. Figures in the present text, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

XI.1 Resources for capital expenditure are requested centrally under this section in order to ensure a coordinated and systemic approach to facilities management, major maintenance and construction. The Committee notes that at Headquarters the projects proposed under this section fall under the responsibility of the Office of Central Support Services and the Department of Public Information (for switching its technological facilities from audio to digital systems). The administrative services at Geneva, Vienna and Nairobi and the regional commissions are responsible within their respective spheres for the implementation of their projects under this section and the administration of related resources. The projects relating to the safety and security of United Nations premises in all main locations proposed under this section will be implemented in close coordination with the Department of Safety and Security.

XI.2 The Office of Central Support Services exercises its coordinating role in providing integrated and coordinated management policy and guidelines to locations outside of Headquarters in implementation of projects proposed under this section. **The Advisory Committee trusts that the next budget submission will contain information on the precise roles of the various participants in this complex system and the extent of the Office's authority to ensure a coordinated and systemic approach towards capital expenditure projects.**

XI.3 **The Advisory Committee expects that procedures will be either put in place or reinforced to ensure strict control over resources for capital expenditures. The central role of the Office of Central Support Services should be ensured both at Headquarters and at all duty stations so as to determine the validity of requests, avoid the submission of "wish lists" and monitor approved work against approved plans and completion targets. Particular attention should be paid to multi-year projects.**

XI.4 The Advisory Committee sought an explanation as to the criteria for placing projects either in the category of alterations and improvements or in the category of major maintenance. It was informed that, in general, capital-intensive projects of a structural nature which would substantially alter or improve the facilities are classified under alterations and improvements, while projects to repair or replace existing installations (heating, ventilation and air conditioning, electrical, plumbing, carpentry, etc.) in order to keep properties in good working order are classified under major maintenance. The Secretariat also indicated that as technology changes, the replacement of existing installations often involves the introduction of new features and substantial improvements to facilities, thereby blurring the distinction between the two categories.

XI.5 **The Advisory Committee is of the view that criteria which distinguish whether projects should fall in the category of alterations/improvements or major maintenance need to be further refined; this is also necessary to avoid instances where projects of a similar nature fall into the two different categories at different duty stations.**

XI.6 The Advisory Committee notes from A/60/6 (Sect. 32), paragraph 32.2, that expected accomplishments and indicators of achievement for projects proposed under this section are included within the logical framework of the Office of Central Support Services and the administrative services at Geneva, Vienna and Nairobi and the regional commissions, as appropriate.

XI.7 As indicated in paragraph 32.8 of the proposed budget, the decrease in resources of $35,574,200 reflects the deletion of a one-time provision of $49,833,300 approved by the General Assembly in its resolutions 58/295 and 59/276 for the strengthening of the security and safety of the United Nations premises. The decrease is partly offset by growth of $8,017,500 under other projects, relating principally to upgrading the Organization's technological network infrastructure in regional commissions and other duty stations in order to bring them closer to the ICT capacity of Headquarters in New York.

XI.8 The Advisory Committee notes from paragraph 32.9 of the proposed programme budget that a number of projects included in the biennium 2006-2007 had been approved previously by the General Assembly but either had to be deferred, owing to limited resources or the need to undertake other unforeseen emergency projects, or are continuations of previously approved multi-year projects. Table 32.3 of the fascicle categorizes the alteration/improvement and major maintenance projects as projects deferred from prior periods, multi-year phased projects, recurrent projects and new projects for 2006-2007. The Committee notes that the cost of projects under alterations/improvements deferred from prior periods is estimated at $325,000 for the next biennium, while the cost of major maintenance projects deferred from prior periods totals $150,000. The Committee points out, in this connection, that in some instances projects had to be deferred or delayed due to poor performance by contractors. **The Committee is of the view that future budget submissions should provide full information on the reasons for which projects had to be deferred.**

XI.9 A provision of $7,724,900 is requested to standardize and upgrade the United Nations enterprise network infrastructure at regional headquarters and regional commissions (see A/60/6 (Sect. 32), para. 32.34). These resources would cover the acquisition and installation of network switches and related equipment and cabling in order to support videoconferencing, Internet protocol telephony, business continuity requirements and real-time connectivity to United Nations enterprise applications, such as the Integrated Management Information System, Galaxy and future systems that would allow the sharing of security-related information. The Advisory Committee has commented extensively on ICT-related issues in its review of requirements of the Office of Central Support Services in part VIII above.

XI.10 **The Advisory Committee reiterates its view that adequate provisions should be maintained in the budget of the Organization for construction, alteration, improvement and major maintenance of the United Nations worldwide properties to avoid more costly investments in the long term (see A/58/7, para. XI.2). Although the Committee was informed, upon enquiry, that there was no duplication in projects funded under section 32 and the capital master plan, it requests that increased attention be paid to the issue of complementarity of projects in order to exclude even the slightest possibility of duplication.**

Part XII
Safety and security

Section 33
Safety and security

Proposal submitted by the Secretary-General	$184,239,600*
Revised appropriation for 2004-2005	$140,037,100
Projected extrabudgetary resources	$7,098,500
Jointly financed resource requirements	$210,091,800[†]
Projected extrabudgetary resources for jointly financed requirements	$3,437,100

A summary of the proposals of the Secretary-General for regular budget posts by budget section is contained in table 5 of the introduction to the budget. A summary of the total number of posts by source of funds and grade level is contained in annex I to the present report.

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* At 2006-2007 rates. Figures in the present report, unless otherwise noted, are at revised 2004-2005 rates (i.e., before recosting).

[†] This includes the United Nations share of $40,551,800 (before recosting) of jointly financed safety and security costs (see para. XII.6 below).

General comments and recommendations

XII.1 The Department of Safety and Security was created by the General Assembly in section XI of its resolution 59/276, integrating two relevant areas of activity from the Office of Central Support Services and from jointly financed activities, including the former Office of the United Nations Security Coordinator. Specifically, the Department's activities reflect a consolidation of those under the security and safety services component for subprogramme 4, Support services, of programme 24, Management and support services, and under section D, Inter-organizational security measures, of programme 26, Jointly financed activities, of the biennial programme plan for 2006-2007.

XII.2 Pursuant to General Assembly resolution 58/269, a new programme 27, Safety and security, is being submitted to the Assembly at its sixtieth session, through the Committee for Programme and Coordination at its forty-fifth session (see A/60/16, paras. 62-67) as an addendum to the biennial programme plan and priorities for the period 2006-2007 (A/59/6/Rev.1 and Corr.1). The Advisory Committee also recalls its recommendation in paragraph 17 of its report A/59/539 that an implementation report on the full range of activities, be submitted to the General Assembly at its sixtieth session.

XII.3 With regard to cost-sharing arrangements, the programme budget proposal indicates that the financial responsibility of each participating organization is based on its proportional share of personnel operating in the field. The percentage share of each organization in financing those costs during 2006-2007 was established by the United Nations System Chief Executives Board for Coordination at its first regular session of 2005, held in April. The cost-sharing arrangements at Vienna are based on a formula agreed upon by the organizations located at the Vienna International Centre. The total jointly financed budget of the Department of Safety and Security amounts to $199,280,800 before recosting (see table below).

XII.4 The Advisory Committee recalls its comments contained in its report on a strengthened and unified security management system for the United Nations (A/59/539, paras. 27-33), where it recommends the continuation of cost-sharing arrangements for field-related costs among the organizations that participate in and use the system of services of the United Nations field security management system. **The Committee continues to emphasize that it is important that all concerned share ownership of the system, with the right to participate in decision-making and the responsibility of sharing in resulting costs. It trusts that the system now in place will be refined on the basis of experiences as needs dictate.**

XII.5 **With regard to the 2006-2007 programme budget proposal, the Advisory Committee regrets that the presentation in the budget fascicle (A/60/6 (Sect. 33)) was structured with separate tables, presenting, on the one hand, resource requirements for regular and extrabudgetary resources and posts (tables 33.3 and 33.4) and, on the other hand, jointly financed resource and post requirements (tables 33.6 and 33.7). It was not immediately clear how the separate requirements were related to each other. In order to obtain a complete overview, further clarifications had to be sought during the hearings to confirm the accuracy of the Committee's manual recalculation of data. The Committee trusts that, in future, a clear and concise summary table will precede any separate resource tables.**

XII.6 Resource requirements are summarized in the table below. The consolidated requirements and estimate for the 2006-2007 biennium (before recosting) amount to $340,946,300 (net), including the United Nations share of jointly financed safety and security costs ($40,551,800).

Resource requirements

(United States dollars)

Component	*2004-2005 appropriation or estimate*	*2006-2007 estimate*
Regular budget	140 037 100	171 681 700[a]
United Nations share in jointly financed budget	(33 384 000)	(40 551 800)
Extrabudgetary	7 205 100	7 098 500
Subtotal	**113 858 200**	**138 228 400**[b]
Gross jointly financed budget	160 886 300	199 280 800[c]
Jointly financed extrabudgetary	4 158 800	3 437 100
Subtotal	**165 045 100**	**202 717 900**[c]
Total	**278 903 300**	**340 946 300**[c]

[a] Before recosting.

[b] Net, or excluding the United Nations share of $40,551,800 of jointly financed safety and security costs for the 2006-2007 biennium.

[c] Gross, or including the United Nations share of $40,551,800 (before recosting) of jointly financed safety and security costs. Equivalent to $210,091,800 after recosting according to supplementary information received by the Committee.

XII.7 As noted in paragraph 33.8 of the proposed budget, the resources required for the 2006-2007 biennium under the regular budget amount to $171,681,700 (before recosting); this amount reflects an increase of $31,644,600. The total proposed amount includes the United Nations share, $40,551,800, of jointly financed safety and security costs. The Advisory Committee notes that a number of requirements are not new but are in fact due to the delayed impact of resources and posts:

(a) Under executive direction and management, the increase of $3,059,500 relates to the delayed impact of the full cost of new posts established in the biennium 2004-2005 by the General Assembly in its resolution 59/276 in the context of strengthening the security management system of the United Nations;

(b) Under programme of work, the net increase of $26,522,700 relates to:

(i) A net increase of $16,835,100 under subprogramme 1, comprising the increase of $24,514,700 for the delayed impact of the full cost of new posts established in 2004-2005, and a decrease of $7,679,600 for non-post requirements, reflecting the discontinuation of one-time costs approved for the biennium 2004-2005 under General Assembly resolutions 58/295 and 59/276 for various operational requirements under the subprogramme;

(ii) An increase of $8,808,900 under subprogramme 2, relating to an increase for non-post requirements representing the United Nations share in safety and security costs to be financed on a cost-sharing basis with other organizations;

(iii) An increase of $878,700 under subprogramme 3, relating to an increase for non-post requirements representing the United Nations share on a cost-sharing basis with other organizations;

(c) Under programme support, a net increase of $2,062,400 comprises an increase of $2,066,900 for the delayed impact of the full cost of new posts established in 2004-2005. This is partly offset by a decrease of $4,500 for non-post requirements, representing the abolition of one-time requirements approved in resolution 59/276 for the biennium 2004-2005.

Recommendations on non-post resources

XII.8 Requirements under the regular budget for other staff costs, including general temporary assistance and overtime, amount to $10,732,500 (before recosting), which is $1,307,100 (10.9 per cent) below the 2004-2006 appropriation of $12,039,600. From supplementary information provided to it, the Advisory Committee notes that the bulk of the proposed requirement is included under subprogramme 1, Security and safety coordination, with $2,446,000 proposed for general temporary assistance, in addition to $6,278,400 for overtime. Upon enquiry as to the high level of projected expenditure, the Committee was informed that this was due to increased security staff requirements during the main part of the session of the General Assembly, as well as to the fact that the staffing of the Department of Safety and Security is not yet at full capacity. The Committee was informed that most staff would be on board during October 2005 and therefore prior to the start of the 2006-2007 biennium (see para XII.16 below). The Committee would have expected a further reduction reflecting the fact that the Department would presumably be adequately staffed by the onset of the new biennium. **The Committee trusts that the Department will monitor its expenditures in this**

respect and recommends an update on the matter in its implementation report to be presented to the General Assembly at its sixtieth session (see para. XII.2 above).

XII.9 The Advisory Committee was informed that training activities under subprogramme 3 are associated with critical-incident stress management and security and safety training. The Committee notes the importance of training for the Department's staff, as well as for staff working in a wide range of the Organization's activities. **The Committee trusts that the Department will monitor training-related expenditures and will undertake careful planning with a view to ensuring that training is cost-effective. The Committee recommends that the Department include a detailed training plan with its implementation report to be submitted to the General Assembly at its sixtieth session.**

XII.10 Requirements for travel of staff amount to $1,342,600 (before recosting), which is $16,400 (1.2 per cent) below the 2004-2006 appropriation of $1,359,000. The Advisory Committee notes the small decrease and the importance of travel resources for the activities of the Department. With regard to travel relating to the Department's Policy, Planning and Coordination Unit and the Compliance, Evaluation and Monitoring Unit, there may be an overlap of activities, in particular with a view to risk-assessment activities, as well as training workshops and seminars. **The Advisory Committee trusts that travel activities will be planned using clearly defined terms of reference to ensure the prudent use of travel resources and expects that once the Department has developed a comprehensive strategic action plan, its overall travel requirements will be adjusted.**

XII.11 **With regard to the Organization's malicious acts insurance policy, the Advisory Committee notes from supplementary information provided to it that an amount of $15,255,700 is proposed for the insurance policy for the 2006-2007 biennium; this represents a decrease of $304,400 from the revised appropriation of $15,560,100 for the 2004-2005 biennium, due to the achievement of an overall premium reduction by negotiating with the underwriter.**

XII.12 **However, the Advisory Committee points out that the 2006-2007 estimate was based on 2004-2005 unadjusted assumptions on the total population and type of duty stations to be covered. In this connection, the Committee was informed that, as at 1 July 2005, malicious acts insurance policy cost projections for the 2004-2005 biennium were revised upward to $19,960,100, primarily because the number of staff covered by the insurance policy increased from 40,062 in 2003 to 61,848. The Committee questioned how this new data would affect the estimate for 2006-2007. Information provided did not clarify this issue. The Committee trusts that a more comprehensive explanation will be made in the coming months and will be submitted to the Fifth Committee during its consideration of the programme budget proposal.**

XII.13 The Advisory Committee notes from table 33.8 (a) of the proposed programme budget that the 2006-2007 target for malicious deaths was a reduction by 50 per cent of the 2004-2005 estimated total of 15. The Committee was informed that the Department of Safety and Security and the Department of Peacekeeping Operations maintain separate databases with regard to fatal and non-fatal incidents. The Committee was informed that some efforts were under way to merge the databases. **The Committee regrets that these efforts were not undertaken earlier,**

even prior to the creation of the Department of Safety and Security, and points out that the merging of databases is a simple information-sharing task between two Departments within the Organization. The Committee trusts that both Departments will endeavour to ensure an overall environment of transparency, mutual cooperation and data-sharing.

Presentation

XII.14 The Advisory Committee notes that the indicators used in the presentation were, overall, of high quality. However, inconsistencies and vague references were apparent in some instances. For example, table 33.8 (c) of the proposed budget indicates a target "compliance" rate of only 80 per cent of duty stations with minimum operating security standards during 2006-2007, while tables 33.12 (a) (i) and 33.15 (a) (i) point to an "establishment" rate of 100 per cent. The Committee notes the explanation, provided during the hearings, that this was due to the applicability of a variety of management performance indicators. **The Committee emphasizes that, in the interest of safety and security of staff, the standard should be in compliance with minimum operating security standards and that this must be applied as a simple uniform standard indicator without room for leniency.** With regard to the Department's dual responsibility, referred to in paragraph 33.7 of the proposed programme budget, the Committee points out that the related indicators and factors could be more explicit. For example, under the heading "External factors", paragraph 33.19 (b) indicates the assumption that all stakeholders will be "supportive of the Department's efforts and extend to it full cooperation", while paragraph 33.35 (a) presents the assumption that "the organizations participating in the security management system and their staff extend full cooperation". However, there was no reference to how full cooperation would be ensured and measured. **The Committee trusts that, in future, the presentation will provide more specific details, with clear references to the Department's overall strategic action plan and/or concept of operations.**

Other comments and recommendations

XII.15 With regard to staffing, the Advisory Committee notes that the overall level of proposed staffing requirements under regular and extrabudgetary resources is expected to remain unchanged from the revised 2004-2005 level, at 1,822 posts, including 854 jointly financed posts. The Committee was informed that this was due to the fact that the Department was still in the initial stage of its establishment.

XII.16 The Advisory Committee is cognizant that the Department is still in its start-up phase and that efforts to recruit personnel are under way. In this respect, the Committee was informed that it was expected that most posts would be filled by October 2005 and that the Department would then be adequately staffed, prior to the beginning of the 2006-2007 biennium.

XII.17 **With regard to cooperation with other entities, the Advisory Committee commends the Department for fully involving United Nations agencies, funds and programmes in the process of selection of personnel for P-4 and P-5 posts in the field and ensuring the active participation of agencies, funds and programmes on relevant panels. The Committee also commends the Department for requesting UNOPS to undertake screening for applicants at the P-3 and P-4 levels. Furthermore, the Department is in the process of compiling**

an in-house roster of candidates, vetted by the Office of Human Resources Management, for the speedy recruitment of security personnel required on short notice in the field. The Committee trusts that the Department's implementation report to the General Assembly will include details regarding vacancy management and progress made on the recruitment of staff.

XII.18 The Advisory Committee notes that the Department is planning to develop career-path opportunities for its staff and trusts that these efforts will be undertaken in conjunction with the Office of Human Resources Management.

XII.19 **The Advisory Committee was informed that the Organization's cumbersome and complex procedures for recruitment and placement of staff present a challenge for the recruitment of qualified personnel. The Committee notes that the Department is making every effort to "work with the system" but points out that this matter is not unique to the Department of Safety and Security.**

XII.20 The Advisory Committee understands that in integrating staff from various programmes and agencies problems may arise because of differences in conditions of service. The Committee notes that the Office of Internal Oversight Services has recommended that the Department consult with the International Civil Service Commission whenever there is any requirement involving special conditions of service. The Committee was informed that, globally, 150 duty stations were administered by UNDP, which provides a range of backstopping support, such as local staff, recruitment support and office space and equipment. The reimbursement of the cost of administrative support services provided by UNDP in the field under the terms of a 2002 memorandum of understanding is included under contractual services.

XII.21 The Advisory Committee was informed that the Department's rapid-reaction capacity was still under development and that consideration was being given to developing a regional capacity for quick deployment. A similar rapid-reaction capacity, albeit not for security-specific functions, has been successfully used by the Department of Peacekeeping Operations, which has developed a rapid-deployment roster of specialized staff who remain with their offices on a day-to-day basis but are available for quick deployment during mission start-up phases. In this respect, rapid deployment staff are rotated in and out of the roster and remain on call for a certain period of time only. The Department of Safety and Security may wish to consider a similar approach and perhaps consult with the Department of Peacekeeping Operations on the modalities of developing and maintaining a rapid-reaction roster.

XII.22 The Advisory Committee notes that the Office of the Under-Secretary-General will include a Policy, Planning and Coordination Unit, as well as a Compliance, Evaluation and Monitoring Unit. **The Committee trusts that the Units will be staffed expeditiously with experienced personnel to ensure that policies, including standard operating manuals, and inspection and compliance activities can be undertaken as preventive measures. The Committee points out that the newness of the Department presents a unique situation in that a solid foundation must be laid for management practices and day-to-day operations so as to ensure long-term effectiveness and efficiency.** In this connection, the Committee was informed that the Department was endeavouring to develop a strategic action plan, including an accountability framework. **The Committee**

emphasizes the importance of a well-formulated concept of operations, in particular during a department's start-up phase, to ensure the early introduction of guidelines, policies and accountability frameworks as a preventive measure and to implement a stable foundation to facilitate the good management of its operations in the long run.

XII.23 **With regard to cooperation in field locations administered by the Department of Peacekeeping Operations, the Advisory Committee points out that there is a need to formulate procedures to allow for maximum cooperation and integration with the military components of peacekeeping operations. The latter are ultimately responsible for the overall security of a peacekeeping operation, specifically with regard to providing military security during the relocation or evacuation of staff. In addition, there is a need to set parameters regarding security for the protection of United Nations facilities at peacekeeping operations (compounds, field offices away from headquarter locations and logistics facilities, including warehouses, communications facilities, airfields, etc.). With regard to the Department's planning for staffing requirements, there may also be a need to collaborate with the Department of Peacekeeping Operations to determine an appropriate ratio between military and civilian security capacities. The Committee trusts that the Department will develop a comprehensive concept of operations document without delay and recommends that it provide an update on this matter in its implementation report to the General Assembly at its sixtieth session.**

Part XIII
Development Account

Section 34
Development Account

Proposal submitted by the Secretary-General	$13,065,000
Revised appropriation for 2004-2005	$13,065,000

XIII.1 The proposal submitted by the Secretary-General would bring the amount placed in the Development Account since its creation to $65.3 million. The Committee was informed that expenditure performance for 66 projects, since the inception of the Development Account, was as follows: in the first allocation, consisting of 7 projects, 98.3 per cent of the overall project resources were utilized and all projects were completed; in the second allocation, for 16 projects, 93.4 per cent of the resources were expended and 11 projects have been completed (the remaining 5 are close to completion or will close before the end of the year); in the third allocation, for 20 projects, 77.7 per cent of the overall resources were expended, 5 projects have been completed and 3 are close to completion; in the fourth allocation, for 23 projects, 19 per cent of the overall resources have been utilized but no projects have been completed as yet.

XIII.2 The fifth allocation of the Development Account, proposed for 2006-2007, is for 24 projects to be implemented, bringing the total number of projects financed by the Development Account to 90. The 24 projects were selected, on the basis of the criteria set out in General Assembly resolution 53/220 A (see A/60/6 (Sect. 34), para. 34.8), from a broader pool of 60 projects originating in the 10 entities of the Executive Committee on Economic and Social Affairs. The Advisory Committee notes that number of criteria used, initially 5, has increased to 10 (see A/59/397, para. 10). The Committee was informed this reflected experience gained from implementation.

XIII.3 For the projects proposed for 2006-2007, broader emphasis is placed on the enhancement of statistical capacity-building as the basis on which to follow the trends and needs of development. Moreover, the Advisory Committee notes that the number of projects to be executed jointly by the regional commissions has increased, reflecting effective utilization of resources, knowledge-sharing and experience accumulated as regards the benefits of horizontal collaboration as an important and productive element in operational projects. In this connection, information provided to the Committee showed that for the 23 projects approved for the fourth tranche (2004-2005), the regional commissions are involved in 13 of them, whereas for the fifth tranche, the regional commissions are involved in 20 of them. In addition, while the initial tranches allocated more resources for equipment, particularly information technology equipment, the fifth one reflects greater demand for advisory services and intellectual assistance, networking and partnerships.

XIII.4 Upon enquiry, the Advisory Committee was provided with a compilation of projected expenditures of the fifth tranche by budget line (see table below).

Projected expenditures, fifth tranche

Budget line	*Amount (thousands of United States dollars)*	*Percentage*
General temporary assistance	911.5	7
Consultants and experts	2 984.9	22.9
Expert group meetings	811.9	6.2
Travel	1 494.0	11.4
Contractual services	2 523.8	19.3
General operating expenses	456.5	3.5
Training	3 882.4	29.7
Total	**13 065.0**	**100**

XIII.5 The Advisory Committee was informed that expenditure under the first three items have decreased from the level of the first, second and third tranches. Moreover, as regards consultants and experts, local expertise is used in all regional commissions in order to build knowledge, ensure sustainability and strengthen national capacity. The support costs related to projects financed from the Development Account are absorbed within the administrative capacity of the Secretariat. As to monitoring and evaluation, the Committee notes that this is part of the project implementation costs, and that up to 2 per cent is allocated for project evaluation.

XIII.6 **The Advisory Committee points out the need to improve the pace of implementation of Development Account projects.** In this connection, the Committee was informed that the protracted and delayed pace of implementation, particularly in regard to the first two tranches of the Development Account, has improved because of a clearer understanding of the objectives and greater experience in implementing projects. **The Committee recommends that attention be paid to the need to execute projects within two bienniums, consistent with the decision of the General Assembly.**

XIII.7 In this connection, the Advisory Committee notes that extensive use of web-based technology assists in the management of the Development Account and that much of the programming and implementation cycle is developed and monitored by electronic means. The Committee was informed that the results-based budgeting framework provides a helpful tool to follow up on entities executing the projects. Moreover, through the systematic use of the log-frame approach in the fourth and the fifth tranches, the programme manager will be able to improve the reporting of results. **The Committee commends the information provided on the website, including detailed information on the Development Account and individual projects.**

XIII.8 The Advisory Committee requested additional information regarding lessons learned from the execution of Development Account projects under the first four tranches. The Committee was informed that, in line with the criteria established by the General Assembly for project implementation, which should demonstrably strengthen national development capacity, particular attention is given to project sustainability, the use of information and communication technology, networking of expertise, utilization of partnerships and South-South cooperation, and an emphasis on multiplier effects. One important way of ensuring sustainability is to have the consistent and proactive involvement of stakeholders in project design and implementation, at both the conceptual and operational levels, which in many cases has led to a number of follow-up activities through voluntary initiatives and additional training events by stakeholders; another way is to promote the co-financing of pilot activities by partners, attracting financial and technical support from bilateral and/or multilateral donors, thereby enabling the continuation of activities after a project's completion.

XIII.9 The Advisory Committee notes that ICT is at the core of many Development Account projects because of its multiplier potential and adaptability to development activities beyond the project scope. The building of knowledge networks supported by ICT allows developing countries to have direct access to information on good practices. The Committee was further informed that the networking of local expertise offers collaborative opportunities, often beyond those originally envisioned by project designers, and creates additional regional and interregional links conducive to capacity-building in specific fields, leading to further networking, technical assistance and knowledge-sharing, as has been the case with distance-learning initiatives. In addition, a valuable lesson learned is that many project activities can be replicated by scaling up or down, depending on demand.

XIII.10 The Advisory Committee enquired as to its comments regarding the risk of undertaking too many small projects which are spread very thinly, making it difficult to measure impacts because of the small amount of resources involved for each project. The Committee was informed that the allocation of resources in the range of $300,000 to $600,000 per project, with the exception of joint ones where all regional commissions participate, has proved reasonable and efficient for the following reasons:

(a) Since most of the projects are of a pilot nature, once they are successfully completed a similar one may be implemented on a larger scale, including in other parts of the developing world. In addition, the focus of most projects is on the facilitation of networking of local expertise, which does not require expensive infrastructure-building activities. At the same time, knowledge management activities, while varying from case to case, may be implemented effectively, drawing upon the institutional knowledge of the Organization;

(b) Given that project budgets do not allow for creating substantial support structures and that project execution relies largely upon United Nations staff already available, smaller projects are easier to complete within the expected two bienniums. This approach has delivered immediate results for projects funded under the third and, most recently, the fourth tranche;

(c) Most members of the Executive Committee on Economic and Social Affairs are very keen to have an opportunity to test new approaches to capacity-building which draw on their work in support of normative processes and policy analysis.

XIII.11 As stated in paragraph V.84 above, the Secretary-General submitted a report entitled "Review of the regular programme of technical cooperation and the Development Account" (A/59/397) in response to the request in paragraphs 48 and 58 of General Assembly resolution 58/270. The comments of the Advisory

Committee on the regular programme of technical cooperation are contained in paragraphs V.84-V.91 above. The Committee notes that the report of the Secretary-General provides an analysis of the similarities and differences between the two programmes, including legislative histories and operating modalities. The operating modalities of the Development Account are set out in paragraphs 59 to 70 and its relevance is stated in paragraphs 72 and 73 of the report. In section VII of the report, the Secretary-General makes proposals for the approval of a statement of objective for the Development Account (para. 107) and for reconsidering its funding level, which was established in 1997 (para. 108-109); in section VIII, it is proposed to combine sections 23 and 35 into one budget section (para. 112). **The General Assembly may wish to take a policy decision regarding the first two proposals.**

XIII.12 As to the third proposal, the Advisory Committee recalls that, in paragraph XIII.11 of its first report on the proposed programme budget for the biennium 2004-2005,[4] it recommended that the Development Account and the regular programme of technical cooperation sections of the budget be combined into one section with separate parts, not only to facilitate programme reporting, but to assist in the examination of the Development Account and the role of advisory services. The Committee notes that the report of the Secretary-General states that, besides the fact that the presentation would result in a slightly simplified overall structure, it is possible that "some savings in governance time and perhaps a better informed discussion could be achieved" if the two programmes were considered together (A/59/397, para. 112). **The Committee therefore reiterates its recommendation on combining the two sections into one, with two parts.**

Part XIV
Staff assessment

Section 35
Staff assessment

Proposal submitted by the Secretary-General	$433,529,400
Revised appropriation for 2004-2005	$411,194,200

XIV.1 The salary and related emoluments of United Nations staff members are subject to the assessment set out in regulation 3.3 of the Staff Regulations of the United Nations and amendments thereto. The Advisory Committee notes that, for the purpose of comparability with the work programme and budget proposals of other organizations of the United Nations system, the Secretary-General has estimated the staff costs net of staff assessment under the various expenditure sections of the proposed programme budget. The difference between gross and net salaries amounts to $433,529,400 after recosting for 2006-2007, and that amount is requested by the Secretary-General as a global amount under section 35.

XIV.2 The Advisory Committee notes that, in accordance with the current budgetary procedure of the United Nations, amounts withheld in the form of staff assessment are considered revenue of the Organization. Accordingly, the amount of $433,529,400 requested under section 35 is reflected in income section 1, Income from staff assessment, which, in addition, includes staff assessment in the amount of $4,409,500 from staff charged to revenue-producing activities, as indicated in A/60/6 (Income sect. 1), paragraph IS1.1.

B. Estimates of income

Income section 1
Income from staff assessment

Proposal submitted by the Secretary-General	$437,938,900
Approved estimate for 2004-2005	$415,613,700

IS1.1 In the proposed programme budget for the biennium 2006-2007, the Secretary-General estimates the amount of staff assessment under expenditure section 35, Staff assessment, and income section 3, Services to the public, to be $437,938,900. The amount of staff assessment not otherwise disposed of by specific resolution of the General Assembly will be credited to the Tax Equalization Fund, established by the Assembly in its resolution 973 A (X) of 15 December 1955, for distribution to Member States in accordance with the scale of assessments for the regular budget applicable to the financial year concerned (see A/60/6 (Income sect. 1), para. IS1.2).

IS1.2 The total estimate under income section 1 is $4,409,500 more than the total estimate under section 35 because the former includes income from staff assessment derived from emoluments of staff charged to revenue-producing activities under income section 3; on the other hand, the staff assessment paid to such staff is shown under income section 3 rather than section 35.

Income section 2
General income

Proposal submitted by the Secretary-General	$21,074,300
Approved estimate for 2004-2005	$24,009,500

IS2.1 Estimates under this section relate to income from rental of premises, reimbursement for services provided to specialized agencies, bank interest, sale of used equipment, refunds from previous years' expenditures, contributions of non-member States, television and similar services and miscellaneous income. As indicated in A/60/6 (Income sect. 2), tables IS2.1 and IS2.2, the estimate of total general income for the biennium 2006-2007 amounts to $21,074,300, a decrease of $2,935,200 from the estimate of $24,009,500 for 2004-2005. Decreases projected under rental of premises ($532,100), reimbursement for services provided to specialized agencies and others ($3,090,700), sale of used equipment ($9,600), television and similar services ($13,900) and miscellaneous income ($293,800) are only partly offset by increases under bank interest ($796,000), refunds of previous years' expenditures ($208,500) and contributions of non-member States ($400).

IS2.2 Under rental of premises, a decrease of $2,346,800 at Headquarters is attributable mainly to the application of actual rent and maintenance expenses rather than commercial rates to the new Department of Safety and Security, which is financed jointly by all the participating agencies. The movement of tenants, in particular the United Nations Joint Staff Pension Fund, also accounts for part of the decrease. The estimated increases at Geneva ($1,365,800), Addis Ababa ($384,300) and Bangkok ($65,300) are due to a combination of factors, including higher rental rates, more space being rented out and currency fluctuations.

IS2.3 The most significant decrease, under reimbursement for services provided to specialized agencies and others, amounting to $2 million, is due to the full amortization in the preceding biennium of the $16 million loan made to the United Nations Industrial Development Organization by the United Nations.

IS2.4 The Advisory Committee notes that income from television and similar services continues to decline, with expected income for 2006-2007 estimated at $135,000, $13,900 less than the $148,900 for 2004-2005. The Committee was informed that, as in the previous biennium, the decrease was due to reciprocal arrangements between the Department of Public Information and business partners, and that as a result of these arrangements that Department was able to achieve wider dissemination of its materials, which was facilitated through the use of digital technology. The Committee recalls that considerable investments have been made in a major project, started in the biennium 2000-2001 by the News and Media Division, for the modernization of the Department's production and broadcast infrastructure, including further digitization and use of the Internet for the dissemination of news materials. In this regard, a further $1,094,000 had been requested for the biennium 2004-2005 under section 33, Construction, alteration, improvement and major maintenance. **The Committee is concerned about the continued drop in income and requests that information on the possibility of recovering the considerable investments made be provided in the next budget submission.**

IS2.5 Upon request the Advisory Committee was provided with a breakdown of the items under sale of used equipment (see A/60/6 (Income sect. 2), para. IS2.4). The Committee was informed, upon enquiry, that the bulk of miscellaneous income recorded in 2004 was from unclaimed repatriation grants reported by the United Nations Office at Geneva ($286,500) and from the recycling programme at Headquarters ($155,300). In response to a query on the disposition of gifts received by the Secretary-General, the Committee was merely informed that they were not sold. **The Committee requests that, in future, detailed breakdowns of these items, as well as more complete information on the treatment of gifts received by the Secretary-General and other officials in accordance with applicable procedures (see ST/SGB/2005/5), be included in the supplementary information provided to it. This information should also be reflected, as appropriate, in the performance report.**

Income section 3
Services to the public

Proposal submitted by the Secretary-General	$5,445,200
Approved estimate for 2004-2005	$4,228,700

IS3.1 The Advisory Committee was informed that developments with respect to the capital master plan may affect the operations of the units providing services to the

public and other revenue-producing activities and consequently have an impact on projected revenues. A description of the revenue-producing activities provided for under this section is contained in paragraph IS.3.3 of A/60/6 (Income sect. 3).

United Nations Postal Administration

IS3.2 The Advisory Committee notes that following a comprehensive reorganization of the United Nations Postal Administration (UNPA) and the streamlining and rationalization of its operations, it has been possible to maintain its solvency. The total projected net revenues amount to $1,646,900, a decline of $287,400 from the level approved for 2004-2005. The personalized stamp project has proved to be popular with visitors and has generated considerable revenue in return for a modest investment. However, the Committee was informed that the interest of the public in personalized stamps seems to be declining.

IS3.3 The Advisory Committee notes that the requirements requested under travel of staff amount to $82,200 (before recosting) and are projected to increase slightly (by $3,300) from the current biennium. The Committee was informed that the resources requested for overtime ($80,700) were required mainly for participation in stamp exhibitions, which often take place during weekends, for the sale of first-day-issue stamps and other periods of peak workload. **The Committee notes the high levels of resource requirements under these objects of expenditure and cautions against cost escalation at UNPA, given its uncertain financial situation.**

IS3.4 The Committee was informed that a new e-commerce website for the sale of stamps was in the final stages of testing and would go online shortly. UNPA hopes to broaden its customer base through the website. **The Committee welcomes this progress and requests UNPA to report on the results achieved in the programme budget for 2008-2009.**

Sale of publications

IS3.5 Net revenue from the projected sale of publications is expected to decrease by $884,800, from $1,838,000 to $952,200, continuing the decline of sales of United Nations publications worldwide, which is due to a number of factors, including the increase in online sales of products. To better respond to market trends and halt this downward trend, the Department of Public Information proposes to develop a capacity to sell electronic versions of all United Nations publications through an e-commerce website. **The Advisory Committee welcomes this progress and requests the Department to report on the results achieved in the programme budget for 2008-2009.**

IS3.6 As a consequence of the refocusing of the operation towards electronic distribution, the Department of Public Information proposes to abolish one P-2 post at Headquarters dedicated to traditional marketing functions. In Geneva, owing to the rationalization of the operation, one General Service post for fulfilling individual sales orders is also proposed for abolition. The Advisory Committee notes that it is proposed to transfer all of the functions of the Sales Dispatch Unit at Headquarters from the Department for General Assembly and Conference Management to the Department of Public Information (see part I, sect. 2, above).

Other revenue-producing activities

IS3.7 The total gross revenue estimates for services to visitors in 2006-2007 are expected to rise by $2,277,600, to $8,924,000, but remain short of covering the costs of the operation, which amount to $9,442,800. The Advisory Committee was informed that following the sharp decrease in the number of visitors in the aftermath of 11 September 2001, and the subsequent closings of the United Nations complex to visitors, the numbers of visitors paying for tours had increased and seemed to be stabilizing.

IS3.8 **Concerning the revenue-producing services of the Department of Economic and Social Affairs, the Advisory Committee questions the resource requirements for consultants under the income section for substantive activities such as the development of client/server applications and the improvement of methodologies and data analyses to develop custom demographic software. In the opinion of the Committee, these requirements should be requested under section 9; the Committee requests that this anomaly be rectified in future budgetary submissions.** The net revenue from the sales of statistics- and population-related products by the Department is expected to decrease by $30,200 in 2006-2007 (estimated at $367,000). However, the operation will continue to be self-sufficient.

IS3.9 The projected gross revenue from garage operations at Headquarters, Geneva and Bangkok for the 2006-2007 biennium would amount to $2,715,200, an increase of $211,300 over the approved estimates for the current biennium. With total expenses at $1,453,000, the operation would generate a net revenue of $1,262,200 and be largely self-sufficient.

IS3.10 The Advisory Committee draws attention to the fact that the sales tax of New York state has, in recent years, been applied to the gift items sold at United Nations Headquarters, and that the tax arguably should not be applicable in international territory. **The Committee requests that the Secretary-General continue to pursue this matter with a view to resolving any difficulties and to restoring the tax-free status of commercial enterprises in the Headquarters complex.**

Notes

[1] The proposed programme budget for the biennium 2006-2007 is contained in documents A/60/6 (Introduction), A/60/6 (Sects. 1-35), A/60/6 (Income sects. 1-3) and A/60/6/Corr.1-3.

[2] *Official Records of the General Assembly, Fifty-ninth Session, Supplement No. 6* and corrigendum (A/59/6/Rev.1 and Corr.1).

[3] Ibid., *Sixtieth Session, Supplement No. 16* and corrigendum (A/60/16 and Corr.1).

[4] Ibid., *Fifty-eighth Session, Supplement No. 7* and corrigendum (A/58/7 and Corr.1).

[5] Ibid., *Fifty-ninth Session, Supplement No. 16* (A/59/16).

[6] Ibid., *Fifty-sixth Session, Supplement No. 7* (A/56/7).

[7] Ibid., *Fifty-ninth Session, Supplement No. 5* (A/59/5), vol. I, chap. V.

[8] Ibid., *Fifty-second Session, Supplement No. 7* (A/52/7/Rev.1).

[9] Ibid., *Forty-fourth Session, Supplement No. 7A* (A/44/7/Add.1-8), document A/44/7/Add.7, para. 13.

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[10] Ibid., *Fifty-sixth Session, Supplement No. 16* and corrigendum (A/56/16 and Corr.1).

[11] Among these are the Special Adviser to the Secretary-General on Africa, the Special Representative of the Secretary-General for the Great Lakes region, the Special Representative of the Secretary-General for West Africa, the Special Envoy for Ethiopia and Eritrea, the Special Envoy for Guinea-Bissau, the United Nations Peacebuilding Support Office in the Central African Republic, the United Nations Peacebuilding Support Office in Guinea-Bissau, the United Nations Political Office for Somalia and the United Nations Observer Mission in Bougainville.

[12] *Official Records of the General Assembly, Fifty-ninth Session, Supplement No. 5* (A/59/5), vol. I, chap. II.

Annex I

Number of posts by source of funds and grade level

A. Posts other than peacekeeping posts

	Authorized posts							
	2000-2001		*2002-2003*		*2004-2005*		*2006-2007 (proposals)*	
	Posts	*Percentage of total*	*Posts*	*Percentage of total*	*Posts*	*Percentage of total*	*Posts*	*Percentage of total*
Regular budget-expenditure sections								
USG	26	0.3	27	0.3	30	0.3	29	0.3
ASG	18	0.2	19	0.2	21	0.2	21	0.2
D-2	79	0.9	81	0.9	86	0.9	88	0.9
D-1	254	2.8	246	2.7	254	2.6	259	2.8
Professional	3 405	37.2	3 452	37.6	3 572	37.1	3 648	37.9
General Service and other	5 207	57.1	5 237	57.0	5 575	57.8	5 483	56.9
Subtotal	**8 989**	**98.5**	**9 062**	**98.7**	**9 538**	**98.9**	**9 528**	**99.0**
Regular budget-income sections								
Professional	23	0.3	20	0.2	15	0.2	14	0.1
General Service and other	109	1.2	104	1.1	88	0.9	88	0.9
Subtotal	**132**	**1.5**	**124**	**1.3**	**103**	**1.1**	**102**	**1.0**
Total regular budget	**9 121**	**100.0**	**9 186**	**100.0**	**9 641**	**100.0**	**9 630**	**100.0**
Extrabudgetary, including support account resources								
ASG	2	0.0	3	0.0	3	0.0	3	0.0
D-2	30	0.5	35	0.5	34	0.4	33	0.3
D-1	123	1.8	137	1.9	157	1.8	153	1.6
Professional	2 048	30.9	2 517	34.7	2 980	33.8	3 092	32.3
General Service and other	4 429	66.8	4 568	62.9	5 634	64.0	6 306	65.8
Total	**6 632**	**100.0**	**7 260**	**100.0**	**8 808**	**100.0**	**9 587**	**100.0**

	Authorized posts							
	2000-2001		2002-2003		2004-2005		2006-2007 (proposals)	
	Posts	Percentage of total	Posts	Percentage of total	Posts	Percentage of total	Posts	Percentage of total
International Tribunals[a]								
USG	1	0.1	1	0.0	2	0.1		
ASG	2	0.1	2	0.1	2	0.1		
D-2	2	0.1	2	0.1	2	0.1		
D-1	8	0.4	8	0.4	8	0.4		
Professional	799	43.4	875	42.9	848	41.8		
General Service and other	1 028	55.9	1 151	56.5	1 164	57.5		Not available
Total	**1 840**	**100.0**	**2 039**	**100.0**	**2 026**	**100.0**		

[a] Prior to the biennium 2002-2003, the Tribunals' budgets were prepared on an annual basis. Therefore, only the approved odd-year totals are shown for comparison purposes for these periods. Six posts approved for OIOS for the biennium 2004-2005 are reflected under extrabudgetary resources to be consistent with the presentation in the proposed programme budget for 2006-2007.

B. Authorized civilian posts in all peacekeeping operations[a]

	For the financial period ended 30 June of each year						
	2000	*2001*	*2002*	*2003*	*2004*	*2005*[b]	*2006*[c, d]
International staff							
Professional and above							
USG	8	8	8	8	12	12	11
ASG	17	18	17	16	23	27	22
D-2	28	31	32	27	40	39	34
D-1	91	91	99	75	94	118	109
P-5	225	269	285	202	276	293	268
P-4	604	689	739	594	665	704	676
P-3	748	933	996	783	948	1 044	1 002
P-2/P-1	111	163	183	175	238	286	284
Subtotal	**1 833**	**2 202**	**2 359**	**1 880**	**2 296**	**2 523**	**2 406**
General Service							
Principal level	38	35	37	26	24	18	17
Other level	826	858	929	706	808	742	666
Subtotal	**864**	**893**	**966**	**732**	**832**	**760**	**683**
Field Service	1 288	1 443	1 594	1 412	1 735	2 004	1 981
Security Service	90	96	96	96	117	128	145
Total, International staff	**4 075**	**4 634**	**5 015**	**4 120**	**4 980**	**5 415**	**5 215**
National staff[e]	8 551	9 820	10 201	8 636	8 423	9 216	9 181
Grand total	**12 626**	**14 454**	**15 216**	**12 756**	**13 403**	**14 631**	**14 396**

[a] Represents the highest authorized level during the period.

[b] Includes provisional staffing for UNMIS related to the commitment authority for the period from 1 July 2004 to 30 June 2005.

[c] Includes provisional staffing for MONUC and UNMIS related to the commitment authority for the period from 1 July to 31 October 2005.

[d] Excludes temporary positions under general temporary assistance for personnel conduct functions for all missions and for MONUC; excludes essential additional positions approved under general temporary assistance.

[e] Includes National Officers, where applicable.

C. Jointly financed posts

	Authorized posts							
	2000-2001		*2002-2003*		*2004-2005*		*2006-2007 (proposals)*	
	Posts	*Percentage of total*	*Posts*	*Percentage of total*	*Posts*	*Percentage of total*	*Posts*	*Percentage of total*
Section 2, General Assembly and Economic and Social Council affairs and conference management								
D-1	1	0.6	1	0.6	1	0.6	1	0.6
Professional	80	46.2	80	46.2	80	46.2	80	46.8
General Service and other	92	53.2	92	53.2	92	53.2	90	52.6
Subtotal	**173**	**100.0**	**173**	**100.0**	**173**	**100.0**	**171**	**100.0**
Section 13, International Trade Centre UNCTAD/WTO								
ASG	1	0.7	1	0.7 1		0.6	1	0.6
D-2	1	0.7	1	0.7 1		0.6	1	0.6
D-1	4	2.7	4	2.7 4		2.5	4	2.5
Professional	62	42.5	68	45.9 73		46.5	73	46.5
General Service and other	78	53.4	74	50.0 78		49.7	78	49.7
Subtotal	**146**	**100.0**	**148**	**100.0**	**157**	**100.0**	**157[a]**	**100.0**
Section 30, Jointly financed administrative activities								
ASG	—	0.0 1		0.2	—	0.0	—	0.0
D-2	2	2.7 3		0.7	3	3.8	3	3.8
D-1	7	9.6 7		1.7	4	5.0	4	5.0
Professional	27	37.0 144		35.4	32	40.0	32	40.0
General Service and other	37	50.7 252		61.9	41	51.3	41	51.3
Subtotal	**73**	**100.0**	**407[b]**	**100.0**	**80**	**100.0**	**80**	**100.0**

g	*Authorized posts*							
	2000-2001		*2002-2003*		*2004-2005*		*2006-2007 (proposals)*	
	Posts	*Percentage of total*	*Posts*	*Percentage of total*	*Posts*	*Percentage of total*	*Posts*	*Percentage of total*
Section 33, Safety and security								
D-2	—	—	—	—	1	0.1	1	0.1
D-1	—	—	—	—	1	0.1	1	0.1
Professional	—	—	—	—	298	35.2	298	35.2
General Service and other	—	—	—	—	547	64.6	547	64.6
Subtotal	**—**	**—**	**—**	**—**	**847**	**100.0**	**847**	**100.0**
Total	**392**		**728**		**1 257**		**1 255**	

[a] Reflects authorized levels for the biennium 2004-2005 for section 13, for which a detailed budget for the biennium 2006-2007 is to be submitted to the General Assembly in the fall of 2005 under existing arrangements.

[b] Includes posts for the initial strengthening of the Office of the United Nations Security Coordinator, which was jointly financed for the 2002-2003 biennium.

Annex II

New and abolished posts by section of the proposed programme budget for 2006-2007

A. Posts proposed for abolition (total: 97)

Section	*Grade*	*Functional Title*
Section 1, Overall policymaking, direction and coordination		
	1 Under-Secretary-General	Special Representative of the Secretary-General for Children and Armed Conflict
	1 P-5	Senior Adviser
	2 P-4	Programme Officer
	1 P-3	Outreach and Public Information Officer
	1 General Service (Principal level)	Personal Assistant
	2 General Service (Other level)	Administrative Assistant
Section 2, General Assembly and Economic and Social Council affairs and conference management		
	9 General Service (Other level)	Editorial and Desktop Publishing Assistant
	8 General Service (Other level)	Documents Clerk
	1 General Service (Other level)	Administrative Assistant
	1 General Service (Other level)	Meetings Services Assistant
	1 General Service (Other level)	Editorial Assistant
	1 General Service (Other level)	Language Reference Assistant
	1 General Service (Other level)	Secretary
	1 General Service (Other level)	Printing Services Assistant
	2 Trades and Crafts	Assembly and Binding Equipment Operator

Section	Grade	Functional Title
Section 3, Political affairs		
	1 P-3	Political Affairs Officer
	1 P-2/1	Associate Political Affairs Officer
	4 General Service (Other level)	Research/Administrative Assistant
Section 4, Disarmament		
	1 General Service (Other level)	Secretary/Assistant
Section 9, Economic and social affairs		
	2 General Service (Other level)	Secretary
Section 12, Trade and development		
	3 General Service (Other level)	Secretary
	2 General Service (Other level)	Programme Assistant
	1 General Service (Other level)	Statistics Assistant
	1 General Service (Other level)	Computer Information Systems Assistant
Section 18, Economic and social development in Asia and the Pacific		
	3 Local level	Computer Systems Assistant
	2 Local level	Team Assistant
	1 Local level	Accounting Assistant
	1 Local level	Inventory and Supply Clerk
	1 Local level	Property Control Clerk
	1 Local level	Carpenter
	1 Local level	Spray Painter
	1 Local level	Maintenance Worker
	1 Local level	Computer Operations Assistant

Section	Grade	Functional Title
	1 Local level	Documents Clerk
	1 Local level	Postal Clerk
	1 Local level	Mail Clerk
Section 20, Economic and social development in Latin America and the Caribbean		
	6 Local level	Secretary
	2 Local level	Printing Press Operator
	2 Local level	Driver and Maintenance Clerk
Section 21, Economic and social development in Western Asia		
	1 Local level	Printing Press Operator
	1 Local level	Research Assistant
	1 Local level	Text Processing and Desktop Publisher
	1 Field Service	Telecommunications Technician
	1 Field Service	Telecommunications Assistant
Section 27, Public information		
	3 General Service (Other level)	Public Information Clerk
	1 General Service (Other level)	Production Clerk
	1 General Service (Other level)	Library Clerk
Section 28B, Office of Programme Planning, Budget and Accounts		
	1 General Service (Other level)	Budget Assistant
Section 28C, Office of Human Resources Management		
	1 General Service (Other level)	Human Resources Assistant
	1 General Service (Principal level)	Administrative Assistant

Section	*Grade*	*Functional Title*
Section 28D, Office of Central Support Services		
	6 General Service (Other level)	Messenger
	1 General Service (Other level)	Information Technology Assistant
	1 General Service (Other level)	Information Systems Assistant
	1 General Service (Other level)	Administrative Assistant
	1 Trades and Crafts	Warehouse Worker

B. Proposed new posts (total: 87)

Section	Grade	Functional Title
Section 1, Overall policymaking, direction and coordination		
	1 P-5	Senior Conflict Management Officer
	1 P-3	Information, Advocacy and Outreach Officer
	1 General Service (Other level)	Administrative Assistant
	1 General Service (Other level)	Personal Assistant to the Ombudsman
Section 2, General Assembly and Economic and Social Council affairs and conference management		
	9 P-4	Reviser/Translator
	2 P-3	Translator
	1 P-3	Information Technology Analyst
Section 3, Political affairs		
	1 P-4	Political/Electoral Affairs Officer
	1 P-3	Political/Electoral Affairs Officer
Section 4, Disarmament		
	1 P-5	Senior Political Affairs Officer
Section 7, International Court of Justice		
	1 P-4	Programme/Database Administrator
	1 P-3	Special Assistant to the President
Section 8, Legal affairs		
	1 P-2/1	Associate Legal Officer
Section 9, Economic and social affairs		
	1 P-5	Chief, International Cooperation in Tax Matters Section
	2 P-3	Social Affairs Officer

Section	*Grade*	*Functional Title*
Section 10, Least developed countries, landlocked developing countries and small island developing States		
	1 P-3	Programme Officer
Section 12, Trade and development		
	1 P-4	Economics Affairs Officer
	1 P-3	Economics Affairs Officer
	2 P-2/1	Associate Statistician
	1 P-2/1	Associate Information Systems Officer
Section 14, Environment		
	1 P-3	Secretary of the Governing Bodies of UNEP
Section 15, Human settlements		
	1 P-4	Programme and Management Oversight Officer
	1 P-3	Human Settlements Officer
Section 16, International drug control, crime prevention and criminal justice		
	1 P-4	Research Officer
	1 P-4	Chief Global Challenges Section
Section 18, Economic and social development in Asia and the Pacific		
	1 P-5	Senior Economic Affairs Officer
	1 P-5	Senior Economic Affairs Officer
	1 P-5	Senior Economic Affairs Officer
	1 P-4	Economic Affairs Officer
	1 P-2/1	Associate Economic Affairs Officer

Section	*Grade*	*Functional Title*
Section 20, Economic and social development in Latin America and the Caribbean		
	1 P-4	Economic Affairs Officer
	1 P-3	Population Affairs Officer
	1 P-2/1	Associate Economic Affairs Officer
	1 P-2/1	Associate Social Affairs Officer
	1 P-2/1	Environmental Affairs Officer
	1 P-2/1	Associate Population Affairs Officer
	1 P-2/1	Associate Economic Affairs Officer
Section 21, Economic and social development in Western Asia		
	1 P-3	Economic Affairs Officer
	1 P-3	Social Affairs Officer
	1 P-2/1	Associate Economic Affairs Officer
	1 P-2/1	Associate Programme Officer
Section 23, Human rights		
	1 D-2	Director, Operations, Programmes and Research Division
	1 D-2	Director, Human Rights Procedures Division
	1 D-1	Chief, Programme Support and Management Services Office of the High Commissioner for Human Rights
	1 P-4	Human Rights Officer
Section 25, Palestine refugees		
	1 P-4	Evaluation and Research Officer
	1 P-4	Head, Camp Development Section
	1 P-3	Research Officer

Section	*Grade*	*Functional Title*
Section 26, Humanitarian assistance		
	3 P-4	Humanitarian Affairs Officer
	2 P-3	Humanitarian Affairs Officer
Section 27, Public information		
	1 P-4	Chief, Website Language Unit (Chinese)
	1 P-4	Chief, Website Language Unit (French)
	1 P-4	Chief, Website Language Unit (Russian)
	1 P-4	Chief, Website Language Unit (Spanish)
Section 28A, Office of the Under-Secretary-General for Management		
	1 P-5	Presiding Officer of the Joint Appeals Board
Section 28B, Office of Programme Planning, Budget and Accounts		
	1 P-4	Programme Budget Officer
Section 28C, Office of Human Resources Management		
	1 P-3	Legal Officer
	1 P-3	Administrative Officer
Section 28F, Administration, Vienna		
	1 P-3	Legal Officer
Section 28G, Administration, Nairobi		
	1 D-1	Deputy Director, Division of Administrative Services/United Nations Office at Nairobi and Chief, Budget and Financial Management Service
	1 P-5	Chief, Information Technology Service
	2 P-4	Administrative Officer
	1 P-4	Chief, Projects and Accounts Unit

Section	*Grade*	*Functional Title*
	1 P-4	Chief, Treasury and Contributions Unit
	1 P-4	Chief, Medical Services
	1 P-4	Chief, Network Services Unit
	1 P-4	Chief, Telecommunications and Office Automation Unit
	1 P-4	Chief, Facilities Management and Transportation Section
	3 P-3	Programme Management Officer
Section 29, Internal oversight		
	1 D-1	Deputy Director, Investigations Division

Annex III

Posts proposed for redeployment under the expenditure sections, 2006-2007

Section		Professional category and above								General Service and related categories						
		ASG	D-2	D-1	P-5	P-4	P-3	P-2/1	Subtotal	PL	OL	SS	LL	FS	Subtotal	Total
1.	Overall policymaking, direction and coordination	1	—	—	—	—	—	—	1	—	—	—	—	—	—	1
2.	General Assembly and Economic and Social Council affairs and conference management[a]	—	—	—	—	2	6	2	10	4	39	—	—	—	43	53
9.	Economic and social affairs	—	—	1	2	5	2	4	14	3	9	—	—	—	12	26
10.	Least developed countries, landlocked developing countries and small island developing States[b]	—	—	—	1	—	—	—	1	—	—	—	—	—	—	1
12.	Trade and development	—	—	—	—	1	—	—	1	—	1	—	—	—	1	2
15.	Human settlements	—	—	—	—	1	—	—	1	—	—	—	—	—	—	1
16.	International drug control, crime prevention and criminal justice	—	1	1	5	10	6	2	25	—	6	—	—	—	6	31
17.	Economic and social development in Africa	—	—	1	2	4	5	6	18	—	—	—	6	—	6	24
18.	Economic and social development in Asia and the Pacific	—	—	—	—	2	2	4	8	—	—	—	3	—	3	11
19.	Economic development in Europe	—	—	—	—	1	2	1	4	—	1	—	—	—	1	5
20.	Economic and social development in Latin America and the Caribbean	—	—	—	1	3	3	1	8	—	—	—	5	—	5	13
21.	Economic and social development in Western Asia	—	—	1	4	3	2	2	12	—	—	—	9	—	9	21
23.	Human rights	—	—	—	—	1	—	—	1	—		—	—	—	—	1
25.	Palestine refugees	—	—	—	2	1	—	—	3	—	2	—	—	—	2	5
27.	Public information	—	—	—	1	2	2	1	6	1	2	—	—	—	3	9
28A.	Office of the Under-Secretary-General for Management[c]	—	1	1	2	1	—	—	5	—	2	—	—	—	2	7
28D.	Office of Central Support Services	—	—	—	2	3	5	2	12	3	10	—	—	—	13	25
29.	Internal oversight	—	1	1	1	1	2	—	6	—	1	—	—	—	1	7
Total		**1**	**3**	**6**	**23**	**41**	**37**	**25**	**136**	**11**	**73**	**—**	**23**	**—**	**107**	**243**

Abbreviations: ASG, Assistant Secretary-General; PL, Principal level; OL, Other level; SS, Security Service; LL, Local level; FS, Field Service.

[a] Does not include 2 GS (OL) posts transferred from section 2 to income section 3, Services to the public (see chap. I, para. 76 above).

[b] Reflects 1 P-5 post transferred from section 28A, Office of the Under-Secretary-General for Management.

[c] Reflects internal redeployments and 1 P-4 post transferred from section 10, Least developed countries, landlocked developing countries and small island developing States.

Annex IV

Cost-sharing mechanisms for jointly financed administrative activities

1. The jointly financed administrative activities of the United Nations common system include the International Civil Service Commission (ICSC) and its secretariat, the Joint Inspection Unit (JIU) and its secretariat and the secretariat of the United Nations System Chief Executives Board for Coordination (CEB). Two methods, historically known as the Consultative Committee on Administrative Questions (CCAQ) formula and JIU formula, are used for determining each organization's share of costs of the jointly financed bodies, which are determined as follows:

(a) CCAQ formula — costs are apportioned on the basis of the number of staff with appointments of one year or more at the end of the previous biennium, as contained in the personnel statistics published yearly by the CEB secretariat;

(b) JIU formula — costs are apportioned on the basis of expenditures of the participating organizations reported in the audited accounts, excluding the following:

(i) Expenditures related to peacekeeping;

(ii) Expenditures in kind (including value of donated commodities);

(iii) Fifty per cent of the expenditure of the International Trade Centre, corresponding to the World Trade Organization share, on the principle that the regular budget of the Trade Centre is funded in equal parts by the United Nations and the World Trade Organization, which does not participate in the work of JIU.

2. The cost-sharing percentages for the jointly financed bodies are established as follows:

(a) ICSC — based on the CCAQ formula;

(b) JIU — based on the JIU formula;

(c) CEB — following the establishment of CEB in 2000, the cost-sharing for support for the High Level Committee on Programmes was based on the JIU formula, and for the High Level Committee on Management and the Information Systems Coordination Committee (ISCC) on the CCAQ formula. In May 2003, it was decided to simplify the approach and to determine the share of each organization by the average of the sum of the percentage share of each organization towards the budgets of the three old components of CEB (CCAQ, the Consultative Committee on Programme and Operational Questions and ISCC). Since this breakdown of the CEB budget is no longer identifiable as from the 2004-2005 biennium, this method will have to be adjusted.

3. A summary of the United Nations percentage share of the costs of jointly financed activities, as shown in the proposed programme budget since 2002-2003, is provided in table 1. Participating organizations' shares in the 2006-2007 budget proposals of ICSC, JIU and the CEB secretariat are calculated on the basis of the same percentages as in the current biennium. These were established on the basis of

2002 personnel statistics and 1998-1999 expenditure data which, as of July 2005, are still the latest data available (see table 2). The percentage shares will be revised as more current data become available. Further, the Advisory Committee was informed that all cost-sharing arrangements and methodologies, including those for salary survey activities and field-based security costs, are being reviewed by the Finance and Budget Network of the High Level Committee on Management (see chap. II, para. X.3 above).

Table 1

United Nations percentage share of the costs of jointly financed activities as shown in the proposed programme budget

	2002-2003	*2004-2005*	*2006-2007*
ICSC	37.5	38.1	37.7
JIU	31.9	31.8	31.6
CEB	—	36.07	36.07

Note: Percentage shares vary during the biennium as more current personnel and expenditure data becomes available.

Table 2

Shares of participating organizations in the 2004-2005 budgets of jointly financed bodies

(Percentage)

	ICSC[a]	*JIU*[b]	*CEB*
United Nations[c]	37.70	31.7	36.07
UNICEF	10.10	9.6	9.40
UNDP	8.20	14.7	9.86
UNFPA	1.70	2.6	1.93
WFP	3.60	10.0	5.20
ILO[d]	4.90	3.4	4.60
FAO	7.00	5.8	6.80
UNESCO	4.20	4.4	4.60
ICAO	1.50	1.1	1.43
WHO[e]	9.10	7.8	8.93
UPU	0.30	0.3	0.30
ITU	1.60	1.3	1.56
WMO	0.50	0.6	0.60
IMO	0.50	0.4	0.53
WIPO	1.60	1.2	1.40
IFAD	0.80	0.0	0.46
UNIDO	1.30	1.5	1.43
UNOPS	1.30	0.5	1.10

	ICSC[a]	*JIU*[b]	*CEB*
IAEA	3.90	3.0	3.80
World Tourism Organization[f]	0.2	0.1	
Total	**100.0**	**100.0**	**100.0**

Notes:

[a] Shares for ICSC are based on end of 2002 staff data, as provided in table 1A of the personnel statistics published by the CEB secretariat.

[b] Shares for JIU are based on 1998-1999 expenditure.

[c] United Nations figures include UN, UNITAR, ITC, ICSC, UNJSPF, ICJ, UNU, UNHCR and UNRWA.

[d] Includes ICAT.

[e] Includes PAHO and UNAIDS.

[f] The World Tourism Organization reported 2002-2003 expenditure of €18,485,042, resulting in a share of the JIU budget of 0.1% (originally calculated at 0.6%). Remaining shares have been adjusted accordingly to absorb this slight revision.

A/60/7